

## Harsh Verdict on Clinton: Only 43%

By Paul F. Horvitz  
International Herald Tribune

WASHINGTON — President Bill Clinton's stock with the American people is tumbling. As Mr. Clinton passed 100 days in office, his approval rating slipped to 43 percent, according to poll results released Wednesday by Louis Harris & Associates. More than half those in the survey judged his performance negatively. It was the worst rating for any recent president at this stage of his term.

The severe new Harris results confirm a trend. The president's approval rating was 54 percent right after he took office in January and had slipped to 52 percent in early March.

The perception that Mr. Clinton is losing popularity could have important political consequences as he tries to push through Congress the boldest deficit-reduction package and the biggest tax-increase legislation in U.S. history while contemplating costly health-care reforms and military commitments in the Balkans.

The Harris figures are weaker for Mr. Clinton than for any recent president as measured by Harris at or soon after the 100-day mark. The equivalent approval ratings were George Bush, 57 percent; Ronald Reagan 67 percent; Jimmy Carter 65 percent and Richard Nixon 59 percent.

Mr. Clinton's rating is even worse than that of President Gerald R. Ford soon after he came into office and pardoned his predecessor, Mr. Nixon, in the Watergate scandal. In late 1974, after his first 100 days in office, Mr. Ford had a positive rating of 46 percent.

In fact, Mr. Clinton's approval index is about equivalent to the percentage of the popular vote he had in November, winning the presidency in a three-way race against George Bush and Ross Perot. But to enact his ambitious program he will need to enlarge that basic support.

According to recent polls, the public agrees that the Democratic president is proposing broad changes. But Americans also remain fearful of higher taxes, wary of a president who

they say has broken campaign promises and nervous about the state of the economy. They want improvements, and health-care reform is high on their list.

Mr. Clinton is well aware of his problem, no doubt having results similar to Harris collected by his own White House polling operation. He says he is considering staff changes at the White House to "tighten the focus a little" and improve "coordination." In his own defense, he contends that he has put before the American people more changes more rapidly than nearly any other recent president.

As Mr. Clinton's numbers sink, the high volume of criticism from opposition Republicans in Congress is likely to persist. Moreover, the independent 1992 candidate for president, Ross Perot, has sharply criticized Mr. Clinton in paid television ads in recent weeks.

Some political analysts have suggested that no president would enjoy as strong an approval

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### The Trib Competition



## Bosnia Peacekeeping: Washington Braces for Worst Case Scenarios

### Leaders in Congress Signal Support, Clinton May Seek Combat Authority

By Thomas L. Friedman  
New York Times Service

WASHINGTON — American troops dispatched to Bosnia-Herzegovina as peacekeepers in the event of a peace accord there would likely be authorized to use whatever force necessary to implement the settlement, even if it involves combat with the Serbs, administration officials said Wednesday.

Congressional leaders from both parties said they expected bipartisan support for using military force in the Balkans, provided President Bill Clinton explains the stakes to the American people.

But as they became increasingly aware that American peacekeeping troops could get embroiled in ground combat, senior lawmakers told Mr. Clinton on Wednesday that he would need congressional authorization for any deployment of soldiers in Bosnia.

While Mr. Clinton could not order military action until he completes difficult political and diplomatic work on Capitol Hill, at the United Nations and with the allies in Europe, conversations with U.S. officials suggested that the military planning for Bosnia was more advanced than has been revealed to most Americans, and even to many members of Congress.

"Have the American people been prepared for the worst-case scenarios?" said the House Republican leader, Representative Robert H. Michel of Illinois. "I wouldn't say they were at this juncture."

Administration officials said that if the Bosnian Serbians approved the peace settlement worked out by international mediators, plans called for Washington to wait "several days" to see if the Serbs implement its provisions, including an immediate cease-fire and pullback of artillery and tanks from civilian centers.

If the Serbs show signs of abiding by the agreement, then the United States would be prepared to dispatch about 20,000 troops as part of a UN force of up to 60,000 to monitor the settlement. That operation would have to be approved by the Security Council first.

The rules of engagement for those peace-

keeping troops are still not resolved. However, the U.S. military is pressing for the widest possible authority to use whatever force it deems necessary to implement the terms of the settlement.

"That's why you go in large — so you will be able to handle any realistic threat," said a senior administration official. "People will argue, 'Do you really need all that armor?' And the answer is 'Yes.' You want to be able to deal with whatever might happen."

Balkan leaders pressure the Bosnian Serbians to approve the peace plan. Page 5.

After meeting with Mr. Clinton at the White House on Wednesday, prominent Democratic and Republican lawmakers predicted that the president would be able to win the support of Congress for use of force in the Balkans, provided that it is authorized by the United Nations, that the allies do their share and that Mr. Clinton go out and explain to the American people what is at stake.

Mr. Michel said that there would "absolutely" have to be a vote by Congress before Mr. Clinton could commit troops there either to force the Serbs to the peace table or act as peacekeepers.

The White House communications director, George Stephanopoulos, responded that the "president clearly believes that the American people have to understand what's at stake here, and he will explain that, explain our goals, explain our objectives and explain how we intend to meet them."

"At the same time, if the action requires Congressional authorization, the president will certainly go forward with that."

The leader of the minority Republican minority in the Senate, Bob Dole of Kansas, added, however, that Mr. Clinton could count on bipartisan support for a use of force, saying, "There is no disagreement here among the leadership on either side, and the Serb regime should understand that, that there will be bipartisan support."

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## EC Treaty Is Dealt a Key Setback In Britain

By William E. Schmidt  
New York Times Service

LONDON — Prime Minister John Major's timetable for ratification of the Treaty on European Union suffered an almost certain setback Wednesday after he gave in to political opponents threatening him with an embarrassing defeat in Parliament.

Mr. Major now faces the prospect of a drawn-out court battle this summer or autumn before the treaty can pass into law and be formally ratified by the British government. Only two weeks ago, members of Mr. Major's Conservative government were boasting that they had escaped a bewildering series of procedural traps and ambushes laid by a rump group of Tory rebels determined to wreck the Maastricht treaty.

In a confusing exercise in parliamentary and political tactics, the government did a calculated about-face Wednesday and agreed to accept an amendment introduced in the House of Commons by opponents eager to alter or sabotage the treaty, on which Mr. Major has staked his government's political prestige.

The amendment, introduced by the Labor Party but supported by a group of about 25 anti-European Tories, effectively nullifies Britain's earlier decision, negotiated by Mr. Major with his European Community partners in 1991, to exclude Britain from the provisions of labor and social laws that apply to the other members.

In accepting an amendment they strongly opposed, the government took a calculated risk, figuring they have a much better chance of winning a court challenge later this year, and clearing the way for ratification of the treaty, than they did of carrying the vote in the House of Commons on Wednesday afternoon.

Both sides agreed that a coalition of Tory rebels and opposition political parties had enough votes in the 651-member House to defeat the government.

Labour and the Liberal Democrats supported the amendment because they want Britain to subscribe to EC social and labor provisions; the Tory rebels are fiercely opposed to the social provisions, but joined the Labor amendment in hopes of scuttling the treaty.

In announcing the government's decision to retreat, Foreign Secretary Douglas Hurd was met with jeers from the opposition, but he said the government was determined not to give Labor and the Tory rebels the satisfaction of what he called "a synthetic victory," had the matter come to a vote.

Amid growing tumult in the House, Mr.

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## Chinese Forces Hit in Attack by Khmer Rouge

By Philip Shenon  
New York Times Service

PHNOM PENH — Khmer Rouge guerrillas attacked Chinese and Polish peacekeepers in central Cambodia in an expansion of a terror campaign intended to disrupt this month's Cambodian elections, the United Nations said Wednesday.

The two-hour attack Tuesday night in city of Kompong Thom, about 140 kilometers north of Phnom Penh, could signal a final break between the Khmer Rouge and China, which had long been the chief ideological and financial patron of the Khmer Rouge.

None of the peacekeepers was reported injured in the attack, which came hours after gunmen identified as Khmer Rouge rebels ambushed a UN convoy in guerrilla-held territory in the far northwest corner of Cambodia, killing a Japanese peacekeeper and injuring eight other people.

The Japanese government responded Wednesday to the death of the Japanese peacekeeper, a 33-year-old civilian policeman assigned to the UN force, by ordering all 750 Japanese police officers serving in Cambodia to retreat to the capital, Phnom Penh. The United Nations protested the order, saying it undermined the chain of command in the peacekeeping force.

In the attack Tuesday night, the United Nations said, a camp shared by the Chinese and Polish peacekeeping troops became the target of Khmer Rouge artillery and mortar fire. While no peacekeepers were injured, several buildings in the camp were damaged.

The chief UN spokesman in Cambodia, Eric Falt, said there was no doubt that the attackers were Khmer Rouge, who have a large presence in Kompong Thom Province, the scene of sev-

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Congressional leaders conferring Wednesday outside the White House after a meeting with President Bill Clinton. From left, Representative Robert Michel of Illinois, Senators Alan Simpson of Wyoming, Bob Dole of Kansas and George Mitchell of Maine.

## Russia Ready to Commit Troops to Balkans, but Stresses Police Role

By Elaine Sciolino  
New York Times Service

MOSCOW — As part of its campaign to forge a new relationship with the West, Russia on Wednesday committed troops to a possible international peacekeeping force to police Bosnia if the ambitious peace agreement goes into effect.

But in a meeting with Secretary of State Warren M. Christopher, President Boris N. Yeltsin withheld endorsement — like his

French and British counterparts — of President Bill Clinton's contingency strategy for military intervention in Bosnia should the peace plan fail.

Mr. Yeltsin, who is intent on focusing on the peace track, was so resistant to discussing the war track that he delegated the task of listening to the American proposals to his foreign minister, Andrei V. Kozyrev, telling Mr. Christopher that it was "premature" for him at this point even to discuss the details of such a scenario, a senior administration official said.

"He didn't want to spend a lot of time talking about the contents of that package in any detail," the official said, adding that the Russian leader "thought it would be premature" to talk about a specific course of military action because he had "high hopes" that the peace plan proposed by the international mediators Lord Owen and Cyrus R. Vance would work. The official added, "We did not feel stiffed in any way."

The Russian side made it clear that Moscow was willing to consider stronger steps in con-

junction with the United States if the Bosnian Serbs did not act in good faith in embracing the peace plan and follow its requirements, which include a cease-fire and the withdrawal of troops from some areas.

In a joint appearance with Mr. Christopher following the meetings, Mr. Kozyrev said that neither the Americans nor the Russians "had excluded or prejudged" any stronger measures should the peace plan fail. Mr. Kozyrev declined to be more specific, but in a veiled warning said, "In Christian tradition, it is rare

that hell is described in specific terms."

A joint U.S.-Russian statement issued after Mr. Christopher's meetings Wednesday with Mr. Yeltsin and Mr. Kozyrev said that if the Bosnian Serbs approve the plan and implement its provisions, both countries will work together to "put in place the appropriate peacekeeping measures under the auspices of the United Nations" and "are prepared to commit appropriate military forces of their own to assist in

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NOT AGAIN — Maifred Groppe, who arrested Monica Seles's assailant, watching over Stefan Edberg on Wednesday at the German Open in Hamburg. Seles, in the United States, said she was feeling "better day by day."

### Kiosk

#### Arab Delegates Bolster Peace Talks

WASHINGTON (AP) — In an encouraging sign for Middle East peace talks, Arab delegates said Wednesday they would stay here another week to try to work out some of their differences with Israel.

The United States said it was pleased and took two steps to aid the fragile process: It pledged \$14 million to help create jobs for Palestinians in the occupied West Bank, and it provided Palestinian delegates with a detailed briefing about Jewish settlements in that area.

The Palestinians have repeatedly complained that Israel refused to share information about the land, population and resources of the occupied West Bank and Gaza Strip — information they deem essential to the negotiations.

The negotiations, now in the second week of their ninth round, are intended to result in self-government for the 1.7 million Palestinians under Israeli rule, and both sides said they were encouraged.

Dow Jones		Trib Index	
Up	Down	Up	Down
2.91		0.09%	
3,448.10		101.20	

The Dollar		New York		West Coast		Previous Close	
DM	Yen	DM	Yen	DM	Yen	DM	Yen
1.5795	110.35	1.5745	110.20	1.5745	110.20	1.5745	110.20
5.824	5.3085						

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## Indicted Polly Peck Chief Finds No Place Like Home

By Martin Baker  
International Herald Tribune

Asil Nadir certainly knows how to make a stylish exit.

The flamboyant Turkish-Cypriot-born entrepreneur led his British food and electronics conglomerate Polly Peck International PLC to bankruptcy in 1990 with debts of £1.3 billion (currently about \$2 billion).

Tuesday night, he hired a private jet, skipped bail of £3.5 million to avoid standing trial in London on 15 theft charges, and flew to Nicosia in the self-proclaimed Turkish Republic of Northern Cyprus.

As Mr. Nadir was proclaiming his happiness about returning to his homeland, it became clear that he had sparked at least two conflicts — one diplomatic, the other about the way Britain deals with fraud and financial crime.

Diplomatic tension grew during the day as Britain, which does not recognize the Turkish Republic of Northern Cyprus and has no extradition treaty with it, unsuccessfully demanded the return of Mr. Nadir.

"There is no question of recognition here," said a British government spokesman in London. "It's about getting Mr. Nadir back to Britain."

The British High Commissioner to Cyprus, David Dain, met Rauf Denktaş, the veteran

president of the Turkish Cypriots, on Wednesday to demand Mr. Nadir's return.

"Mr. Denktaş said that he was unable to help," said the British government spokesman. "The matter will be pressed further."

Mr. Nadir's transition from Wonder Boy of the British stock market to Wonder Where of the U.K. legal authorities was marked by a series of extravagant acquisitions, peaking in 1989 with the \$1.4 billion takeover of D.M. Monte's fresh fruit operations in Europe.

Polly Peck thus became the biggest fruit distributor in the world, and its stock was the darling of the London market for much of the 1980s, recording huge gains until the rumors of financial collapse saw the stock plummet in the early 1990s.

Mr. Nadir was renowned for his lavish life style and his love of publicity. He courted many British financial journalists, some of whom were considerably embarrassed by his fall from grace.

Mr. Nadir's flight comes after a succession of British financial embarrassments, including the collapse of Bank of Credit & Commerce International, the Maxwell pension-fund thefts, and the much-criticized handling of the Guinness and Blue Arrow insider trading cases. It raises further questions in the minds of financial an-

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## Marbella's Strong-Arm Mayor Is Ready to Take On the Rest of Spain

By Alan Riding  
New York Times Service

MARBELLA, Spain — Along a sunny Mediterranean coastline crowded with resorts catering to beer-sipping tourists and sherry-sipping retirees from northern Europe, Marbella long managed to remain exclusive, a place where the rich or famous could gather to meet other rich or famous.

But by the late 1980s, the town was losing its appeal. It was dirty, drug addicts begged on its streets, crime was on the rise and the local town council, paralyzed by infighting, did nothing. Soon, "For Sale" signs began to appear outside luxury villas. Even worse, there were no takers.

Enter Jesus Gil y Gil. Angry that his real-estate interests were sinking along with Marbella, fearful of a jet-set exodus, the burly 60-year-old developer decided to rescue the town from "corrupt and incompetent" politicians by running for mayor himself in the May 1991 municipal elections. His strategy was simple — he poured abuse on all

traditional parties and promised cleanliness and security to Marbella's 90,000 inhabitants. When the votes were counted, his party, the Independent Liberal Group (its Spanish initials, GIL), had won 19 of 25 council seats. In August 1991 he became mayor.

Immediately, he began spending heavily. And soon he had something to show for it. He cleaned up Marbella and made it safe, as promised, and he also polished its image by planting thousands of trees, installing new fountains, building a marble-covered maritime promenade, beefing up the police force and opening a drug-treatment center.

"Marbella is beautiful again," said Grunilla von Bismarck, a German aristocrat who has lived here since 1976. "You can walk out at night again. People are beginning to invest. And all that is thanks to Gil. He's very dominating, but he's nice inside. He's a person who listens, but you can't tell him what to do."

Certainly, his style is authoritarian as he ignores the rubber-stamp town council, insults his critics, surrounds

himself with bodyguards and governs his realm from a wood-paneled office in a private mansion. His admirers view these minor blemishes as the price of getting things done.

His political foes are less generous. They complain that water and garbage collection bills have soared, that the police commit abuses without fear of punishment, that the town council buys hotels without explaining how it found the money. Today, said Isabel Garcia Marcos, the opposition leader on the town council, the mayor behaves "like the ruler of a banana republic."

Mr. Gil's own publicity machine, however, appears to have convinced him that the formula that has transformed a corner of southeastern Spain can work for the rest of the country. He is therefore running for parliament in general elections on June 6. And in future elections, he believes, the post of prime minister will come within reach.

"I don't believe in left or right," he said. "I believe in men and work. I'm the anti-system. I came into politics because

Spain deserves better than it gets. We have the worst rule in the world. They're cynical and corrupt."

As in other Western countries where electorates are tired of politics-as-usual, his raw populism may find an audience. Polls show that Spaniards are fed up with the government Socialists, yet unenthused by the conservative opposition.

Working in his favor, he is as well known in Spain as president of the Atletico de Madrid soccer team as he is mayor of Marbella. His fame even increased through television program, now off the air, in which he would spot his opinions as he sat by a pool or in a Jacuzzi.

For all his folkloric image, though, his record as businessman is patchy. He was jailed after a building that owned near Segovia collapsed in 1968, leaving 38 people dead, while many of his properties are reportedly mortgaged to banks. Nonetheless, he still drives a Rolls-Royce.

In this campaign, he is gambling that his straight-talking

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JAVIER 1350

# In Chelyabinsk, Yeltsin's Victory Came None Too Soon

By Michael Dobbs  
Washington Post Staff Writer

CHELYABINSK, Russia — Boris N. Yeltsin's victory in last month's referendum has given a much-needed boost to reformers in the Russian provinces who are attempting to implement the president's free-market policies.

Here in the Urals, the country's industrial heartland, the referendum result came just in time for the pro-Yeltsin provincial governor, Vadim Solovoy.

Just two weeks ago, Mr. Solovoy appeared close to being ousted by a conservative rival. The provincial parliament, or Oblast Soviet, had ordered a halt to the sale of state-owned factories, the economic centerpiece of Russia's transition to capitalism.

"Our opponents were doing everything they could to seize power. But they have failed," said Mr. Solovoy, an energetic administrator with telegraphic good looks. "The referendum has created a completely different political situation in this country. The executive power, from the president down, now feels more confident."

The pro-Yeltsin vote in Chelyabinsk and other big cities was significantly higher than in Russia as a whole. In the Chelyabinsk region, a remarkable 71 percent of the voters expressed confidence in the president, while 65 percent approved his painful economic policies, roughly 10 percent higher than the national average.

Long out of bounds to foreigners because of its military factories, Chelyabinsk has attracted national attention over the last few weeks as a key battle-

ground for economic change. The governor's fight to hold his job, and to restart the privatization program, became a kind of provincial metaphor for the power struggle between Mr. Yeltsin and the conservative-dominated Russian parliament.

A former Communist youth leader who quit the party at the same time as Mr. Yeltsin, Mr. Solovoy vigorously opposed the hard-line Communist coup attempt of August 1991. Soon afterward, he was named governor of Chelyabinsk Province by a grateful president. Like most Yeltsin appointees to such posts, he has never had to face a popular election.

Mr. Solovoy's political nemesis in Chelyabinsk is an old Communist Party rival, a chain-smoking apparition named Pyotr Sumin who was elected chairman of the provincial parliament back in the Soviet era. Mr. Sumin kept his head down during the coup, waiting to see who would come out on top in Moscow. When Mr. Yeltsin appointed Mr. Solovoy governor, Mr. Sumin was furious.

"There is a large personal element in what is going on here," said Andrei Belashko, the deputy governor and a Solovoy supporter. "Sumin was offended that he was not named governor — and wants to get even with both Yeltsin and Solovoy. Anything that we propose, he is automatically against."

To some extent, the political struggle in Chelyabinsk is a battle between two wings of the old Communist nomenclatura. With few exceptions, everybody of any importance here is a former Communist.

As Mr. Yeltsin's personal representative in Chelyabinsk, Mr. Solovoy has sought to make the economic

changes irreversible by creating a new class of property owners. Until recently, the city boasted one of the fastest rates of privatization in the country. The bulk of the retail trade is already in private hands, effectively depriving the apparition of his power to distribute scarce products.

The privatization program was fiercely resisted by the Communist-dominated regional Soviet. In a gesture of defiance toward Mr. Yeltsin, the Soviet voted on March 18 to suspend auctions of state-owned factories in the region.

Cheered on by Mr. Yeltsin's political enemies in Moscow, Mr. Sumin then decided to take on the regional administration directly. At his instigation, the Soviet ordered elections for a new provincial governor. Mr. Solovoy insisted that the elections were illegal and declined to take part, leaving Mr. Sumin as the leading candidate.

To secure a higher turnout for the gubernatorial election, the Soviet ordered that it be held at the same time as the nationwide vote of confidence in Yeltsin. In the absence of serious competitors, Mr. Sumin won with roughly half the total vote and promptly prepared to take office as the new, "democratically elected" governor.

At the last moment, however, the Chelyabinsk Soviet voted merely to "take note" of the controversial result. It has taken no steps to install Mr. Sumin as governor. According to Solovoy supporters, many legislators backed away from confrontation with the president when they saw the size of the pro-Yeltsin vote.

"The people have expressed confidence in me, but I do not plan to take the governor's office by storm," Mr. Sumin said. "Everything will be done according to constitutional means."

It is unclear who would win a direct contest between Mr. Sumin and Mr. Solovoy. By Western standards, Mr. Solovoy is easily the more attractive candidate. At 46, he looks 10 years younger than his 47-year-old rival, who has apparition stamped all over him. But Mr. Solovoy has offended some people in Chelyabinsk with his capitalist rhetoric — he once suggested that poor families should have fewer children — and Mr. Sumin seems to be a more reassuring figure to older voters.

At its last session, the Chelyabinsk Soviet also voted to reinstate the controversial privatization program. Both sides agree that the reforms have reached a point of no return.

Even Mr. Sumin, who is widely regarded as the voice of reaction in Chelyabinsk, insists that a return to the Communist past is neither possible nor desirable. He says he is in favor of a gentler, more humane transition to a market economy focused on protecting the living standards of ordinary people.

"The majority of people here do not want to go back to the old system, and neither do I," he said. "And even if I did, it would be impossible. People would not allow me to take back their land and their property. These processes are irreversible. What is at issue is the best way of carrying them out."

## WORLD BRIEFS

### Director of WHO Wins Re-election

GENEVA (AP) — The World Health Organization on Wednesday re-elected Hiroshi Nakajima of Japan as its director-general despite objections from its biggest donors and a financial scandal.

Members at the annual World Health Assembly voted 93 to 57 to confirm Mr. Nakajima, a Japanese national, for a second five-year term of office, a WHO official said.

The ballot was secret. However, in debates before the vote, the United States and European countries had emphasized their dissatisfaction over the running of the UN agency. Earlier Wednesday, copies of an internal audit were circulated, asserting that the agency's rules had been "seriously breached" in the awarding of a contract to the Philippines before the decision in January by the WHO executive board to nominate Mr. Nakajima instead of his former deputy, Mohammed Abdelmoumene of Algeria.

### Far-Right Again on March in Rostock

ROSTOCK, Germany (APF) — Dozens of neo-Nazi youths, hurling stones and smoke bombs, attacked a far-left women's center and a youth club in Rostock, the East German city that was rocked by racist violence last year, the police said Wednesday.

Nearly 300 policemen intervened to disperse the mob, and 44 arrests were made in the disturbances late Tuesday, but no one in the two buildings was hurt, they said. The assault was apparently linked to rivalry between far-right and far-left extremists in the city, they said.

Rostock became briefly a synonym for the xenophobic violence that swept Germany last year when hundreds of youths attacked a center for asylum-seekers. Seventeen people died in far-right or racist violence last year; the toll so far in 1993 is four.

### Officer Hurt in Moscow Clashes Dies

MOSCOW (Reuters) — A 25-year-old policeman who had been crushed by a truck during May Day clashes with nationalist demonstrators died Wednesday, the first victim of political violence in Moscow since the coup attempt against Mikhail S. Gorbachev in August 1991.

City officials said the policeman, Vladimir Tolokneyev, died in the hospital without having regained consciousness. Mr. Tolokneyev's head was crushed Saturday as a truck attempted to back up into a large truck that had been put in place by the police as a barricade.

The death could stir tensions in Moscow as Communist and nationalist opponents of President Boris N. Yeltsin prepare for more protest demonstrations Sunday. Mr. Tolokneyev was among 600 people injured in Saturday's clashes. Most received only minor cuts or bruises. In 1991, three young men were killed when a small crowd clashed with troops hours before the collapse of the coup.

### Sri Lankan Tamils Seek Safe Haven

COLOMBO (Reuters) — Thousands of Sri Lankan Tamils have fled Colombo since the assassination of President Ranasinghe Premadasa, which the police attributed to Tamil rebels, witnesses said Wednesday.

"Groups of Tamils are arriving here fearing a backlash by the majority Sinhalese," one resident said by telephone from Vavuniya, the last army-controlled town in the north. He said that at least 3,000 Tamils had left Colombo and arrived in Vavuniya, where there is a large Tamil population.

Acting President Dingiri Banda Wijetunga has assured Tamil politicians that members of their community will be fully protected.

### For the Record

More than 300,000 teachers in Poland went on strike Wednesday for higher wages and more spending on education. The protest by the trade union Solidarity was part of an action by state workers opposing budget cuts for medical service, education, culture and science. (AP)

Electricity was restored to major facilities in Tbilisi, Georgia, on Wednesday, but some factories in the capital remained idle after a four-hour blackout that officials said may have been due to sabotage. (AP)

## TRAVEL UPDATE

### Safety at Queen's Palace Criticized

LONDON (Reuters) — The British Safety Council called Buckingham Palace a "potential death trap" on Wednesday and said plans to open it to the public should be postponed until defects are corrected. The council said Queen Elizabeth's main London residence and office had inadequate supplies of fire extinguishers, sprinklers and fire blankets.

It described proposals to allow tourists to visit part of the palace for the first time starting in August as "cynical, farcical and downright dangerous." The queen announced last week that the palace would open to tourists to finance about 70 percent of the repair bill for Windsor Castle, severely damaged by fire in November.

A palace spokesman challenged the assertions and said changes were being made to ensure that the palace met fire safety standards for public buildings. The spokesman said the palace was regularly checked by the London fire brigade, all of whose recommendations were followed.

Most of Italy's railroad engineers will strike for 24 hours beginning Saturday at 9 P.M. to protest planned layoffs. The walkout, which will affect national and international trains, was announced by the independent union that includes most engineers of the state-controlled railway. (AP)

Foreign tourists are being frightened away from South Africa by the wave of killings in the country, tourism officials said Wednesday. Nearly 90 persons have been killed since the April 10 assassination of Chris Hani, the Communist Party leader, by a white gunman unleashed a wave of black outrage and violence. But officials insisted that foreign visitors were safe. "Most of the killings have taken place in areas not frequented by tourists," said Derina Holzhausen, a spokeswoman for the South African Tourism Board. (Reuters)

A Continental Airlines DC-9 bound for Houston from Columbus, Ohio, made an emergency landing Wednesday, touching down with a missing nose gear door, an aviation official said. No one was injured when the flight, carrying 72 people, landed shortly before 8 A.M. at Port Columbus International Airport. (AP)

The inaugural flight of Jet Airways, a private line that has promised to be tough competition to state-run Indian Airlines, landed at the wrong airport Wednesday, according to the Press Trust of India. The jet touched down at an air force base near the city of Coimbatore in southern India instead of at the civilian airport, the agency said. Aviation authorities grounded the crew and canceled the return flight to Bombay. (APF)

## Patten-Clinton Meeting Created 'Obstacles' on Hong Kong, China Says

Compiled by Our Staff From Dispatches

HONG KONG — China has accused the governor of Hong Kong, Chris Patten, of creating problems by meeting President Bill Clinton to talk about the colony's future, a newspaper controlled by Beijing said Wednesday.

What angered Chinese officials was Mr. Clinton's endorsement of Mr. Patten's plans for increased democracy in Hong Kong when the two met at the White House this week. It was the first official meeting between an American president and a governor of Hong Kong, which is due to return to Chinese control in 1997.

"During the Sino-British talks on Hong Kong affairs, anybody who goes overseas to play the international card will create obstacles to the talks," the newspaper Ta Kung Pao quoted Zhang Junsheng, vice director of Xinhua press agency in Hong Kong, as saying. Directors of Xinhua in Hong Kong are China's de facto diplomats there.

Speaking on Tuesday, Mr. Zhang said Hong Kong issues were

a matter for Britain and China alone to discuss.

China has long accused Mr. Patten of internationalizing his dispute with Beijing over electoral changes in the British colony by seeking foreign support for his proposals.

Mr. Patten rejected the Chinese allegations and said the main purpose of his trip to United States was to ask the Clinton administration and Congress not to cancel or attach conditions to China's most-favored-nation trade status.

Revelation of that status by the United States — which would be aimed at punishing China for its violations of human rights, some of its international arms and missile sales and its restrictions on foreign companies' access to its economy — would also hit Hong Kong's economy hard, Mr. Patten says.

Talks that began last month in Beijing were aimed at solving the dispute over Mr. Patten's plan, under which the people of Hong Kong would directly or indirectly elect the majority of their legislature in 1995. (Reuters, APF)

## Yeltsin's Japan Trip Is Delayed Again, Visit Reset for Fall

Reuters

MOSCOW — A planned visit to Japan by President Boris N. Yeltsin of Russia has been put off for the second time in less than a year, a presidential spokesman said Wednesday.

Mr. Yeltsin, who provoked a storm of protest in September when he called off a visit to Japan four days before it was due to begin, had been expected to fly to Tokyo at the end of May. A spokesman said the postponement should not affect a visit by the Russian leader to Tokyo in July for a meeting of the Group of Seven, the leading industrialized nations.

"The visit has been postponed by mutual agreement. It will take place in autumn," Sergei Sviatunov said by telephone from the Kremlin. "It was not the initiative of the president. Both sides considered it more expedient to put the visit off until autumn."

Although no agenda had been worked out, the visit would undoubtedly have been dominated by

a protracted territorial dispute. Japanese newspapers on Tuesday had suggested that Mr. Yeltsin might call off the trip because of the territorial dispute and political tensions at home after the May Day riots in Moscow.

Tokyo and Moscow are at loggerheads over four islands off northern Japan seized by Soviet troops at the end of World War II. Mr. Yeltsin cited Japanese intransigence over the islands as the main reason for calling off a visit last September.

He decided to reschedule it after Japan signaled last month that it would offer large-scale aid for Russia.

Japan pledged \$1.8 billion in aid when it held a two-day ministerial meeting of the G-7 nations — Britain, Canada, France, Germany, Italy, Japan and the United States.

It was Tokyo's biggest offer of help to Moscow for many years and appeared to mark a break with its hard-line policy of refusing aid to Russia until the dispute is resolved.



TREASON TRIAL — Markus Wolf, the former chief of East Germany's spy service, in a Düsseldorf court Wednesday. His trial on espionage charges is expected to last through June.

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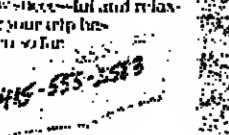
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Bahamas	00	1 242 242 242	India	00	91 11 11 11
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Belize	00	501 218 218 218	Japan	00	81 3 3 3 3
Bermuda	00	1 471 471 471	Kenya	00	254 1 1 1 1
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Bolivia	00	591 2 2 2 2	Malawi	00	265 1 1 1 1
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Canada	00	1 416 416 416	Mexico	00	52 5 5 5 5
Chad	00	235 235 235 235	Morocco	00	212 3 3 3 3
China	00	86 10 10 10	Nepal	00	977 1 1 1 1
Colombia	00	57 1 1 1 1	Netherlands	00	31 20 20 20
Costa Rica	00	506 2 2 2 2	New Zealand	00	64 9 9 9 9
Cuba	00	53 5 5 5 5	Norway	00	47 47 47 47
Czech Republic	00	42 2 2 2 2	Peru	00	51 1 1 1 1
Denmark	00	45 45 45 45	Philippines	00	63 2 2 2 2
Egypt	00	20 20 20 20	Poland	00	48 22 22 22
El Salvador	00	503 2 2 2 2	Romania	00	40 23 23 23
Equatorial Guinea	00	238 238 238 238	Russia	00	7 7 7 7
Ethiopia	00	251 1 1 1 1	Saudi Arabia	00	966 1 1 1 1
Finland	00	358 9 9 9 9	Senegal	00	221 221 221 221
France	00	33 1 1 1 1	Sierra Leone	00	232 232 232 232



## French Press Replies to Mitterrand Speech at Bérégovoy's Funeral Is Attacked as 'Political'

Compiled by Our Staff From Dispatches

PARIS — The French press counterattacked Wednesday following rebukes by President François Mitterrand made at the funeral of the former Socialist prime minister, Pierre Bérégovoy, who took his own life Sunday.

The leftist daily Liberation said Mr. Mitterrand was attempting to use the tragedy to breathe "hopes of a renaissance" into the left, which was soundly defeated by a center-right alliance in March's general elections.

Mr. Bérégovoy, a former trade unionist and self-taught economist who rose to become finance minister then prime minister, shot himself in the head during the May Day holiday.

He was known to have been distressed by charges of mishandling the economy, by the extent of the Socialist defeat in March, and by allegations of corruption made against him over a 1-million-franc (\$180,000) interest-free loan from a businessman friend later charged with insider trading.

The rightist daily Quotidien de Paris questioned Mr. Mitterrand's motives in choosing the funeral to launch his attack, dismissing it as "a political speech" that "bore the stale odor of puritanism." The conservative Le Figaro accused the

president and his aides of bringing politics into a personal tragedy. Observers said that by defending Mr. Bérégovoy's economic record — during his funeral speech he quoted at length praise of Mr. Bérégovoy in foreign newspapers and by the International Monetary Fund — he was scoring points against the new government.

The government is due to publish on Thursday a report on the state of government finances — widely expected to be critical of the outgoing Socialist administration.

Prime Minister Edouard Balladur is expected to use the report, whose publication was delayed after Mr. Bérégovoy's death, to justify increased taxes due to be announced Monday.

Liberation also attacked Mr. Mitterrand's accusation that Mr. Bérégovoy had been hounded to death. In an impassioned passage in his speech the president had said: "All the explanations in the world cannot justify the fact that the honor of a man, and finally his life, was thrown to the dogs."

The daily said the president was using the "sentimental and false argument that Bérégovoy was the victim of a shameless cabal," and dismissed the speech as "vague."

The satirical weekly Le Canard Enchaîné ridiculed Defense Minis-

ter François Léotard's accusation that it had "murdered" Mr. Bérégovoy by breaking the loan story. It said Mr. Léotard, recently cleared of corruption charges, was setting his own score with the weekly.

The usually well-informed paper said Mr. Bérégovoy, who had denied any impropriety over the loan from the late Roger-Patrice Pelat, had recently become obsessed with the case and told confidants he might be charged and even jailed.

It said Mr. Bérégovoy feared being summoned to testify in the trial of his former chief aide, Alain Bouhllil, charged with helping Mr. Pelat in an insider trading case.

But the paper said that the judge who investigated the loan had decided to drop the case, and that Mr. Bouhllil was apparently no longer interested in calling Mr. Bérégovoy as a witness.

It said Mr. Bérégovoy had insisted to Mr. Pelat that the loan be fully legal and that only bad handling of the situation had made the money look like a gift.

Judges also reacted angrily. "Bérégovoy has not been charged," said Claude Perrotet, president of the main union of magistrates. "It is grotesque, insulting, slandering and stupid to make judges scapegoats." (APF, Reuters)

# STATESIDE / TELLING SECRETS

## ★ POLITICAL VOICES ★

### Gore Aide In Line for Deputy Chief of Staff

WASHINGTON — Vice President Al Gore's senior aide, Roy Neel, will move to the White House as deputy chief of staff, associates of Mr. Neel said, as part of President Clinton's effort to strengthen administration management after recent setbacks.

In addition to the Neel associates, two administration officials described Mr. Neel as the near-certain pick, with an announcement expected this week. The White House, however, insisted that no final decisions had been made.

Mr. Neel, 47, has been a senior Gore aide for 15 years, serving as his legislative director in the House and Senate. For three years as his Senate chief of staff and as his top adviser in the 1992 campaign, he worked closely with Mr. Clinton and Mr. Gore during the transition and is well versed in administration policy. His Senate experience could prove particularly helpful; Mr. Clinton's economic stimulus bill died at the hands of Senate Republicans. (AP)

### Enterprise Proposal Tackles a 'Federal Maze'

WASHINGTON — President Bill Clinton has proposed a new program of local enterprise zones that would marry communities, private industry and the U.S. government in hopes of stimulating development in 110 of the nation's disadvantaged areas.

The heart of the proposal envisions creation of an Enterprise Board composed of cabinet departments and other U.S. government agencies that would approve community applications and provide "one-stop shopping" for local officials seeking help in areas ranging from housing to health care to crime-fighting.

There has often been no coordinated strategy for using U.S. government funds, Mr. Clinton told local officials and community leaders from around the country during a conference telephone call to announce the plan. "Our growth has been restrained by a maze of federal regulations and the need to appeal to a maze of federal agencies," he said. "We're trying to change all of that."

The administration's budget calls for \$4.1 billion in new tax revenues spread over five years, most of the money to be used as wage-tax incentives for industry. In addition, \$1 billion is to be spent for grants and for enhanced community policing.

Any other funding that is required will come from existing funds under the purview of particular agencies. Gene Sperling, deputy assistant to the president for economic policy and co-chairman of the task force that developed the proposal, said the administration hoped to get up to \$3 billion from these sources.

Mr. Sperling said that the House Ways and Means Committee was examining tax legislation to raise the \$4.1 billion. The rest of the bill would move to the Congress "quite soon," he said. (NYT)

### Reno Moves to Soften Some Drug Sentencing

WASHINGTON — Emboldened by support from a growing number of U.S. judges, Attorney General Janet Reno has begun to take the first steps toward reversing the policy of meting out tough criminal sentences for minor drug offenses.

In recent days, she has told some groups that she will soon order a review of sentencing guidelines with an eye toward eliminating the long mandatory sentences for low-level drug crimes, like possession of small amounts of narcotics.

Justice Department officials predicted that the review would probably lead to changes in the way prosecutors prepare cases and charge defendants in such cases. It may also lead to a proposal by the department to include provisions to ease sentencing laws in the criminal bill that the Congress is expected to consider this year.

Civil liberties groups and criminal defense organizations have long argued against the expanded use of mandatory sentences during the Bush and Reagan administrations. But any easing of the rules has been viewed with skepticism by most Democrats and Republicans in Congress. Many lawmakers fear that they would appear too lenient on crime if they voted to reduce the punishment for criminal offenders. (NYT)

### Quote/Unquote

President Clinton, announcing plans for staff changes: "What I think we need to do, frankly, is to get the focus back 'oo to the things that I have been working on from the beginning. Passing the major economic programs; making sure that Congress will adopt the spending cuts, but reaffirming that I have no interest in raising taxes until spending is cut; getting the budget program through so that we can keep interest rates down." (NYT)

### Away From Politics

- Divorce lawyers received sharp criticism in a report from a committee appointed by New York State's highest court, which asserted that some of them rely on pressure tactics to secure fees, overbill clients and fail to inform them about their cases. Most of the cases cited involved female clients.
- Women who took the anti-depressant drug Prozac during early pregnancy had no higher risk of bearing defective babies than other women but were slightly more likely to miscarry, a study involving 128 women has found.
- Two news photographers who approached the Branch Davidian cult compound near Waco, Texas, had misdemeanor trespassing charges against them dropped. Rick Bowmer, 37, a photographer for The Associated Press, and Kerwin Plevka, 42, of the Houston Chronicle, were arrested April 21 when they tried to seek a new vantage point from which to photograph the charred buildings.
- Lakes and streams in Massachusetts sustained the greatest acid rain damage in a decade this year, researchers reported. Data from a monitoring project at the University of Massachusetts indicated that the ability of lakes to absorb acid rain without damage to plant and wildlife dropped 35 percent this spring, and that the acid neutralizing capacity of streams dropped 30 percent.
- Criminal charges may be filed in a fire in Los Angeles that caused the deaths of eight persons in an apartment building. Fire Chief Donald Manning said. He cited alleged fire code violations, including fire doors that were propped or nailed open.
- The Roman Catholic Church is responsible for warning parishioners when priests are suspected of child molestation, a state appeals court in California has ruled. The 4th Circuit Court of Appeal said the mother of an abused boy could sue the Diocese of Orange for damages.
- A jury began deliberations in the mail-fraud trial of Armand P. D'Amato, brother of Senator Alfonse M. D'Amato of New York, who is accused of defrauding Unisys Corp., a military contractor, by accepting \$120,500 for consulting services prosecutors say he did not perform. The government contends he was actually hired by a rogue Unisys employee to provide access to Senator D'Amato. (NYT, AP, LAT)

## Peruvian Troops Capture Leader of Rebel Movement

LIMA — Army troops have captured the provisional leader of Peru's Tupac Amaru Revolutionary Movement, the military announced Wednesday in a statement claiming another major blow to leftist rebels.

The army high command issued a statement saying Lucero Campa Miranda has been seized in the Amazon jungle basin of Peru, a leading world supplier for coca leaves used to making cocaine.

But the statement gave no immediate details on the circumstances or exact timing of the arrest of Mr. Campa Miranda, who recently stepped in as leader of the movement that is second only to Peru's Shining Path in terms of ferocity.

He was long the second-in-command but assumed the provisional leadership after Tupac Amaru's leader, Victor Polay, was arrested and sentenced to life in prison recently.

General Nicolas de Bari Hermosa, an army officer, said the arrest was "a new and significant success in the fight against terrorist groups" that have long besieged this South American nation.

The Tupac Amaru rebels are a pro-Cuban leftist group that have been blamed for killings in Peru, but has long been overshadowed by the Maoist Shining Path, whose leader Abimael Guzman was captured last year and imprisoned.

Anti-terrorist forces were on alert against the Shining Path, fearing that they are preparing for an armed attack on Lima to mark the group's anniversary.

On May 18, 1980, Shining Path rebels made themselves known by burning baited houses in Chuschi during the presidential election.

Since then almost 25,000 people have died and billions of dollars in damage have been caused as a result of the Shining Path insurgency, according to police reports.

Since the capture of Mr. Guzman, Shining Path's founder, in September, the majority of the group's leaders have been jailed, and authorities have not confirmed the identities of the group's new leader. (AP, AFP)

# Clinton Moves to Pry Open National Security Archives

By Tim Weiner  
New York Times Service

WASHINGTON — President Bill Clinton has taken the first step toward declassifying millions of secret government documents, some kept under lock and key since World War I.

In a presidential directive, Mr. Clinton has ordered a sweeping review of Cold War rules on government records, with an eye to opening the nation's bulging secret archives and reducing the number of highly classified military and intelligence programs.

The directive also establishes a task force that will draft new rules on national security secrets by Nov. 30. Moreover, the order asks the task force to answer these questions:

- What really needs to be kept secret?
- How can information be declassified speedily?
- How can excessive secrecy be avoided?

The questions reflect Mr. Clinton's stated view that it is too hard to declassify old documents and too easy to classify new ones.

"It is time to re-evaluate the onerous and costly system of security which has led to the overclassification of documents," Mr. Clinton said in a recent letter to Senator Howard M. Metzenbaum, Democrat of Ohio, who is a member of the Senate Select Committee on Intelligence.

It carried out, the president's order could lead to the release of millions of secret military and diplomatic records, mostly from the Cold War, historians and researchers say.

"So much is being released by the Soviet and Chinese sides on the deepest, darkest aspects of Cold War history that you have to wonder what the rationale is for keeping secrets on our side," said John Lewis Gaddis, a diplomatic historian at Ohio University.

Presidents Richard Nixon and Jimmy Carter issued orders meant to make it easier to declassify documents. Neither order had much effect, historians say, because they were virtually ignored by the intelligence and military bureaucracies that were told to carry them out.

Now, however, the new heads of the Central Intelligence Agency and the Defense Department are on record as favoring the principle of openness.

No one knows how many classified documents exist, said the head of the new task force, Steven Garfinkel, director of the Information Security Oversight Office, the federal agency that administers the classification secrecy system.

"It's a huge mountain," he said. "Perhaps billions. The National Archives says it has 325 million pages of classified documents. There are hundreds of millions beyond that."

The National Archives is one of about 80,000 government depositories that store classified material, Mr. Garfinkel said. It holds secret documents older than 30 years and awaiting review for declassification.

The acting National Archivist, Tracy Peterson, said she was drowning under reams of paper stamped "Top Secret." For example, under current procedures, it will take 19 years for the National Archives to review recently declassified State Department papers from the early 1960s.

"This is intolerable," Ms. Peterson said in a recent

letter to the national security adviser, W. Anthony Lake. "Documents from the World War I era still remain classified."

Not every document would have to be reviewed to be released, Mr. Garfinkel said. "We have a finite number of real secrets," he said. "You could declassify thousands of documents with the declassification of a single secret."

Classified documents are kept secret under national security laws on the ground that their release would damage national security.

Those laws were strengthened by a 1981 Reagan administration executive order. The order "resulted in enormous amounts of material being classified each day, and very little being declassified," said Page Miller, director of a national group of historians and archivists.

Under the present system, documents can only be declassified with the approval of the agency that stamped them secret in the first place. Historians say these agencies are often reluctant to release potentially embarrassing records from their past.



President Bill Clinton talking with General Colin L. Powell, chairman of the Joint Chiefs of Staff, at a White House ceremony on Wednesday marking the return of U.S. troops from Somalia. Mr. Clinton said that the U.S.-led mission to rescue Somalis from starvation and banditry presaged a new era of U.S. involvement around the world. He added: "We cannot be the world's policemen."

## A Democrat Wins Aspin Seat by a Hair

WASHINGTON — In a closely watched contest, Wisconsin voters narrowly elected a Democrat to succeed Defense Secretary Les Aspin in Congress.

And in Ohio, Rob Portman, a Republican, trounced the Democrat, Lee Hornberger, and will succeed former Representative Willis Gradison, a Republican who resigned to become a lobbyist. Mr. Portman had 53,177 votes, or 70 percent, to Mr. Hornberger's 22,685 votes, or 30 percent.

In the Wisconsin race, a Democratic state representative, Peter Barca, edged Mark Neumann, the Republican, for the House seat Mr. Aspin held for 22 years before resigning to join President Bill Clinton's cabinet.

Mr. Barca had 55,578 votes, or 50 percent, to Mr. Neumann's 54,838 votes, or 49 percent. Three other candidates split the rest of the vote in the district, which includes urban Kenosha and rural portions of southeastern Wisconsin.

Mr. Neumann refused to concede, and his campaign manager said he would ask for a recount. Some voters complained that ballot levers did not work when they tried to vote for Mr. Neumann. Leggett said. The Kenosha County clerk, Nancy Principe, said nobody had complained to her.

The Wisconsin race was seen as an early test of Mr. Clinton's ability to hold an important Democratic congressional seat.

Mr. Neumann, a 39-year-old Janesville home builder, had strongly criticized Mr. Clinton's policies and derided Mr. Barca as a career politician.

But Mr. Barca, too, distanced himself from the president, saying, of Mr. Clinton's economic proposals, "I don't think Clinton's plan is that hot, frankly." The 37-year-old, said he might vote against the plan if it includes an energy tax, which he said would hurt farmers.

## Presidents' Job Ratings After 100 Days

President	Positive	Negative	Not sure
Clinton	43%	54%	3%
Bush	57%	37%	6%
Reagan	59%	35%	6%
Carter	58%	36%	6%
Ford	56%	38%	6%
Nixon	53%	40%	7%

Source: Louis Harris and Associates

## Trib Competition: The Winners

PARIS — The International Herald Tribune Competition for political and financial astuteness resulted in a tight finish Wednesday among readers who guessed correctly that President Bill Clinton would get a low approval rating after 100 days in office.

Of the more than 5,600 readers who sent in entries, 45 correctly guessed the Louis Harris & Associates poll results released Wednesday. It showed that Mr. Clinton's job performance rated only 43 percent approval, the lowest of any recent president at this stage in office.

Mr. Clinton's rating, according to Harris, tumbled from 54 percent right after he took office in January.

Politically astute they may have been, but none of the readers who correctly guessed the poll result also managed to come up with correct answers to the three tie-break questions — the value on April 30 of the International Herald Tribune World Stock Index, the Dow Jones Industrial Average, and the value of the dollar against the Deutsche mark or yen.

Frank S. Cerveny, Jr. of Credit Suisse First Boston Ltd. in London came closest, however, and was the first prize of a round-trip from Paris to New York in an Air France Concorde, or its equivalent in airline ticket vouchers.

Mr. Cerveny guessed that the Dow Jones average would be 3393. It closed at 3,427.55. He predicted 97 for the Trib index instead of 100.55; and 1.70 Deutsche marks to the dollar instead of 1.585.

The judges added together the difference between the estimate and the actual results, then averaged the three figures. Thus Mr. Cerveny was only 3.93 percent away from the actual result, closely followed by Hans Mayer of Kingston, Ontario at 3.98 percent, who was the second prize of a first-class Paris-New York round-trip or its equivalent in ticket vouchers.

The third prize goes to Paul Newman of Charlottesville, Den-

## CLINTON: After First 100 Days, Only 43% Approve

(Continued from page 1)

According to the latest Harris poll, which surveyed 1,257 adults over five days, more than half the public views Mr. Clinton negatively. Three percent had no opinion. The negative rating of 54 percent was up from 44 percent in early March and 31 percent in January. Among recent presidents, only Mr. Ford's 52 percent negative rating comes close to the level of opposition Mr. Clinton faces. Mr. Bush's negative rating after 100 days was 37 percent.

The Harris result has a margin of error of plus or minus 3 percentage points. The Harris Poll was the most accurate in its final forecast of the outcome of the 1992 election.

The current Harris results are somewhat lower than similar surveys on Mr. Clinton's approval rating that were released a week ago.

But the downward trend is evident throughout.

A poll released last week by The Washington Post and ABC News showed that 59 percent of Americans approved of Mr. Clinton's handling of his job while 39 percent disapproved. A Gallup Poll found 55 percent approved and 37 percent disapproved — the worst 100-day rating of any elected president since such polling began in the Eisenhower presidency.

Surveying for these polls began nearly a week before Harris started its polling. In addition, Harris's survey question may account for some of the difference. Gallup and the Post-ABC polls ask: Do you approve or disapprove of how President Clinton is handling his job? Harris asks for a job rating based on four categories: excellent, good, only fair and poor.

As part of its polling, Harris also asked respondents to name the two most important issues for the government to handle. Health care remained the top priority — it was cited by 38 percent, while the economy remained the No. 2 priority, cited by 28 percent. Only 4 percent named foreign policy in general or the situation in Bosnia specifically.

## White House Backs Off On Full Vaccine Plan

WASHINGTON — Facing likely defeat in Congress, the Clinton administration has agreed to drop crucial elements of its proposal that the federal government buy and distribute all childhood vaccine in the United States, according to administration officials and lawmakers.

The administration struck a compromise with congressional Democrats under which the government would provide vaccine for children in the Medicaid program and those for whom vaccine costs are not covered by private health insurance.

Medicaid is the federal-state program that provides health care for poor people.

The revised proposal is intended to meet concerns expressed by Republican members of Congress and drug company executives who said there was no reason for the government to buy vaccine for children whose parents could afford it.

The compromise preserves a private market for childhood vaccines. President Bill Clinton's original proposal would have established the government as the only buyer of such vaccine.

Last year the full battery of recommended shots cost \$122 when bought in bulk by the government and \$344 when bought by private doctors in the open market.

The original Clinton proposal would have cost \$1.1 billion a year. Representative Dan Rostenkowski, Democrat of Illinois, who is chairman of the Ways and Means Committee, said, "I do not believe the committee can accommodate such a large program."

The revised version is expected to cost less than half that amount.

Mr. Clinton and his wife, Hillary Rodham Clinton, a former chairwoman of the Children's Defense Fund, have advocated drug companies for raising vaccine prices.

But at a congressional hearing last month, Dr. F. Edgar Thompson Jr., the state epidemiologist of Mississippi, testified that "vaccine cost and availability are not a real barrier." Rather, he said, "We need more nurses and other staff to give the vaccines, track children and do outreach."

At the same hearing, some lawmakers said parents needed to take more responsibility for the health of their children.

The recommended vaccines protect children against diphtheria, tetanus, whooping cough, polio, measles, mumps, rubella, hepatitis B and Haemophilus influenzae type b, a bacterial disease that is a leading cause of meningitis and pneumonia in young children.

U.S. government officials say that only 40 percent to 60 percent of preschool children now get the recommended shots, and in some inner-city neighborhoods the proportion is just 10 percent.

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Irving Howe, Leading Critic, Dies at 72

NEW YORK

Irving Howe, 72, one of America's foremost critics, died Wednesday at Mount Sinai Hospital, a friend reported.

Mr. Howe's death followed a stroke Tuesday night, according to his friend, Mitchell Cohen.

Mr. Howe, a prominent member of the New York literary scene, was a long-standing leader of the anti-Communism left and was a co-editor, with Mr. Cohen and Michael Walzer, of the quarterly journal Dissent.

Among his best-known books is "World of Our Fathers," which won the National Book Award in 1976.

Mr. Howe also wrote "Politics and the Novel," "A World More Attractive," "Steady Work,"

Thomas Hardy "The Decline of the Novel"

Mr. Strole drew widespread attention, and skepticism, with his 1962 findings that only 18.5 percent of 1,660 New York City residents studied were in good mental health.

These successes led him back to Hollywood and the movies. He won praise for "Another Part of the Forest," "I Can Get It for You Wholesale," and "Cyrano de Bergerac," for which José Ferrer won an Academy Award in 1951.

Mr. Strole, 84, a sociologist who directed landmark studies on the mental health of urban Americans, died of a heart attack Saturday in New York.

Private universities are flourishing in Russia

More than 60 such institutions have been officially registered, joining the 528 state schools, reports Die Zeit of Hamburg.

Many have long and fashionably Western-sounding names, like the International Independent University for Ecology and Politics.

Some of the names, running as high as 55,000 rubles a year (nearly eight months' pay for an average wage earner), though parents with the wherewithal seem willing to sacrifice to prepare their children for the brave new capitalist world.

Some intellectuals fear that a gap will develop between the quality of education offered at the free state schools and the new elite universities.

When one of the 170 big clocks on public buildings or lampposts in Paris breaks down, the city's clock services, by tradition, place the hands at 12 o'clock until repairs can be made.

In Britain, average weekly pocket money for 5- to 16-year-olds has increased from 36 pence in 1976 to £1.87 today (about \$3), roughly 50 percent ahead of inflation.

"Time-pushed parents find it less hassle to indulge their children," writes Teresa Orange in Marketing Week. The average 12-year-old today is said to have

the lifestyle accessories of someone in his mid-30s in the 1950s.

As the Swiss debate banning alcohol and tobacco ads, advertisers have begun a counter-campaign. Without sponsorship, say billboards in French-speaking areas, "the Montreux Festival would be reduced to silence."

Partly to fill such particular needs, and those of other European companies, a degree program in audiovisual translation is now being offered in Strasbourg, in conjunction with Basbel, the European fund for audiovisual multilingualism.

As the family unit breaks down, children's buying power has been rising. In Britain, average weekly pocket money for 5- to 16-year-olds has increased from 36 pence in 1976 to £1.87 today (about \$3), roughly 50 percent ahead of inflation.

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American Faces Charge as Spy in Athens Embassy

WASHINGTON — An American employee of the U.S. Embassy in Athens who had access to top-secret cables from Greece, Turkey and Yugoslavia has been arrested in Virginia on undisclosed espionage charges.

Federal officials refused to identify the country for which the man, Steven Lalas, was believed to have spied. But a senior official said that the case had caused considerable unease and that the State Department was assessing how much information he may have disclosed.

Mr. Lalas, 40, a communications officer, appeared briefly on Monday before a federal magistrate in Alexandria, Virginia. It was unclear why or when he had returned to the United States before his arrest.

The State Department said that Mr. Lalas, a career employee, was hired in 1983. Before Athens, he had served in Istanbul and Belgrade. He is of Greek origin, and one theory being pursued was that family connections might have motivated him to share information with Greek officials.

Alfredo Allegro Lawyer of the PARIS Bar

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EUROPEAN TOPICS

Arte of Translation Under Daily Deadline

The arrival of Arte, the French-German-Belgian television station, has required an enormous amount of daily translating work, for dubbing and subtitles, and translating spoken language for the cultural channel, says Arrie's head, Jérôme Clément.

At Arte's Strasbourg offices, the ideal translator is described as a person with two mother tongues and bicultural experience, who is able to work under intense pressure while keeping sight of the special nature of the work.

Partly to fill such particular needs, and those of other European companies, a degree program in audiovisual translation is now being offered in Strasbourg, in conjunction with Basbel, the European fund for audiovisual multilingualism.

As the family unit breaks down, children's buying power has been rising. In Britain, average weekly pocket money for 5- to 16-year-olds has increased from 36 pence in 1976 to £1.87 today (about \$3), roughly 50 percent ahead of inflation.

"Time-pushed parents find it less hassle to indulge their children," writes Teresa Orange in Marketing Week. The average 12-year-old today is said to have

the lifestyle accessories of someone in his mid-30s in the 1950s.

55 Run for Iran President

NICOSIA — Fifty-five people have registered so far to run in the Iranian presidential elections on June 11, IRNA said.

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INTERNATIONAL **Herald Tribune**

Published With The New York Times and The Washington Post

**Tragedy in Sri Lanka**

When Sri Lanka became independent in 1948, it was called Ceylon and seemed to have it all: reasonable prosperity, a stable parliamentary system, habits of nonviolence and a landscape of bewitching beauty. Now Sri Lanka, its official name since 1972, is synonymous with strife and tragedy. Last Saturday its president and two dozen others were blown to bits by a suicide bomber. This followed the murder of the president's chief rival and leader of the opposition. The cycle of retribution seems certain to continue.

How did things go so horribly wrong? Sri Lanka's story says a good deal about the unintended consequences of rooting politics in religion and ethnicity.

It starts with the election victory in 1956 of the Oxford-educated Solomon Bandaranaike, a year that also marked the 2,500th anniversary of Buddha's attainment of Nirvana. Capitalizing on religious fervor, the prime minister made Buddhism the favored religion and decreed that Sinhalese, spoken by Buddhists, was henceforth the sole official language. This angered a minority of mainly Hindu Tamils, who saw themselves at a permanent disadvantage since they spoke a wholly different language from that of the mostly Buddhist Sinhalese.

suggested allowing "reasonable use" of Tamil. Communal riots erupted, and the well-meaning prime minister was murdered in 1959 by a fanatic Buddhist. In due course, there followed a full-scale civil war as an extremist Tamil faction clamored for a separate state and found support in India, with its 50 million Tamils, just across the strait.

In a second unintended result, Prime Minister Rajiv Gandhi saw a chance in 1987 to placate Indian Tamils and win points as a peacemaker in Sri Lanka. He dispatched 50,000 troops to Tamil strongholds on the island as part of a peace accord signed in Colombo. But India's sometimes brutal soldiers were unable to disarm Tamil militants, and in 1991 Mr. Gandhi himself was assassinated, almost certainly by a Tamil extremist.

The lesson is sobering. When an ethnic majority diminishes the citizenship rights of a well-established minority, even a pacific people on an idyllic island can plunge into a bloodbath. It is an open question whether Sri Lankans can ever recover who has been lost. But there is time for other countries with peoples of different creeds and cultures to ponder Sri Lanka's tragic experience.

—THE NEW YORK TIMES

**Attend to Cambodia**

The Khmer Rouge attacks on Monday and Tuesday are a stark reminder that the danger of return to war still stalks Cambodia. The very same Khmer Rouge who perpetrated a terrible genocide in the 1970s are still there, with the very same Pol Pot. Some of the trouble emanates from the Vietnamese regime of Hanoi. Some of the Khmer Rouge are the main force. They are boycotting UN-sponsored elections, and the pressing question is whether the United Nations can overcome the boycott and violence and carry off the elections in late May.

The UN Transitional Authority in Cambodia insists that the answer is "yes." Although the killings are well publicized, they are not election-blockers. The United Nations could not disarm the Khmer Rouge and create a national army, but tranquility generally prevails. Almost all refugees have returned, most to non-Khmer Rouge areas. Some 90 percent of the population registered freely to vote.

China's traditional rivalry with Vietnam fueled its earlier support of the anti-Vietnam Khmer Rouge. That rivalry is now in welcome suspension. The Khmer Rouge are turning to Prince Norodom Ranariddh, son of his country's father figure, and to the party run by his son, and are trying to cultivate Cambodians' traditional fear of Vietnam. The Khmer Rouge are armed and in

sanctuary, the single coherent force, ready to exploit any political opening and wait for a military one.

The elections are meant to produce an assembly empowered to write a constitution and set up a government. But this hardly describes Cambodia's further needs. The first is for the famously patriotic and changeable Prince Sihanouk to take a responsible part in building a political structure that will confer some stability when he is gone. The other is for the United Nations to find a new basis on which, at an elected Phnom Penh government's invitation, to continue to provide vital help in establishing a stable nation.

Cambodia is no less a challenge to UN peacekeeping than Bosnia. A large and costly operation, it can be phased down substantially after the elections. But some thousands of the 22,000 UN hands must stay on to ensure that the Khmer Rouge do not come back and that the Phnom Penh regime and the other groups play straight. American officials, although they understand the stakes in Cambodia, are reluctant to grasp this issue publicly while Bosnia is so hot. But the United States clock is ticking down in Cambodia. The Clinton administration cannot put the question off too much longer.

—THE WASHINGTON POST

**A Russian Aid Maze**

On the merits, there is not much argument about the latest \$1.8 billion in aid that President Bill Clinton would give to Russia. If only in terms of the future defense expenditures it could help avert, this minor budget increment is an investment in national security that the United States cannot afford not to make. Many members of Congress would likely agree with these sentiments in the abstract, and for reasons having nothing to do with national security it is not clear how the political system will be able to deliver the funds.

The easiest means would be a supplemental appropriation, for which there is plenty of precedent. The money would add to this year's deficit, but there is room under the budget caps; Congress last year appropriated about \$1.7 billion less than allowed for foreign aid. But foreign aid is never popular, and these funds face a special burden. They follow the Senate Republicans' refusal to allow a vote on the president's stimulus bill, which Democrats saw as \$16 billion in domestic aid.

The Republicans did not care for some of the contents of the bill, but that is not the principal reason they gave for blocking it. Rather, they claimed to be deciding against fiscal irresponsibility. It would be wrong to add to the deficit in the name of stimulus that the economy might not need — that was the line, and no matter that on the Republican watch the national debt quadrupled in 12 years, or that Mr. Clinton,

unlike his predecessors, was proposing over the longer term to pay for his expenditures and reduce the deficit.

The Republicans might or might not be willing now to give the Russian aid a fiscal pass. It isn't clear, but a lot of them — notably Senate Minority Leader Bob Dole — have said they support the aid, and they like to cite their support as proof that they are not isolationist. Democrats, however, are not about to add to the deficit to increase foreign aid if the same cannot be done for domestic purposes, nor is it likely that Dole & Co. would want to expose themselves to the charge that they favor such a step.

It is not easy to think of a way to finance the Russian aid halfway through this fiscal year, and it will not be easy next year, either. There are already more domestic spending proposals than the appropriators will have money to fund, and the president has said he wants no further cuts in defense (which could preclude finding room for Russian aid in the defense budget, where it arguably belongs). Nor is there extra room in the aid budget without reducing the aid to Israel and Egypt, that dominates the category.

Somewhat the administration and Congress will likely find a way out of the maze, but it will be difficult. The great argument against the structural deficit allowed to build in the 1980s was its draining effect on the economy. But it is an even greater drain on the ability to govern. The plight of the Russian aid proposal is further proof.

—THE WASHINGTON POST

**Other Comment**

**A Poor Omen for Bosnia**

The Americans' halfhearted performance in Somalia, where their forces have failed to take the firm action that always seemed essential to disarm the warlords and establish a basis for lasting peace, is a poor omen for Bosnia. If American forces are deployed without the mandate from Washington to fight as hard as may be necessary, to suppress rival forces of any persuasion, it would be much better that they stayed at home.

The costs of peacekeeping to the parties governed will be horrendous. We continue to find it extraordinary that so many people in this country think it right that our over-stretched country should assume a disproportionate burden in Bosnia. We also question the long-term feasibility of the operation. For a few days, or weeks, a huge UN force could undoubtedly win plaudits

for halting bloodshed. Prospects for a lasting settlement are far more uncertain.

If the Serbs reject peace and America proceeds to arm the rival factions, then a major diplomatic breach between the administration and its principal European allies is on the cards. The British and French governments, quite rightly in our view, believe that shipping arms to Croats and Muslims is a formula for increased bloodshed. Such a step would almost certainly mean ending our humanitarian mission in Bosnia, because the West would have become a party to the combat. And once the allies had involved themselves in the armed struggle in this way, there would be little chance of disengagement for years ahead. It is hard to overstate the damage to mutual confidence between London, Paris and Washington if America decides to go ahead on its own.

—The Daily Telegraph (London)

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**This Way or That, Get On With Good Government**

By Tommy Thong-Bee Koh

SINGAPORE — There is a real danger that with the end of the Cold War a new ideological battle may occur between the West and Asia over democracy and human rights. The West asserts that economic development and democracy are inseparable. An opposed thesis, heard often in Asia, maintains that a benign but authoritarian government is superior to a democratic government in achieving economic progress.

The Western assertion is grounded on the experience of industrial nations where democracy and capitalism flourished at the same time and were mutually reinforcing. The failure of Communist dictatorships in Eastern Europe to deliver the economic goods suggests that the failure is systemic. One of the prerequisites of economic growth is political stability, and this is more likely to occur with a government elected by the people.

In the Western view, a dictatorship is more likely to grant monopolies and other forms of economic inefficiency. It is also more likely to be corrupt, and corruption retards development. Only a democratically elected government, it is argued, can motivate people to support the development imperative by working hard, saving, accepting social discipline and being willing to accept short-term sacrifices in the interest of longer-term gain.

Some Asian leaders, however, have argued that democracy does not necessarily lead to economic progress. On the contrary, democracy often retards growth. An authoritarian but benign government could be a better vehicle to achieve development.

Advocates of this view can point to the fact that South Korea's most rapid economic growth took place under two unelected regimes, while Taiwan's occurred under unelected President Chiang

Ching-kuo. Hong Kong has developed under the benign but authoritarian rule of British colonialism. Eastern Europe failed to deliver the goods not because it was totalitarian, but because it followed the wrong economic model, central planning.

Democracy, a number of Asian leaders assert, often leads to contention and political instability. And it is very difficult in a democracy to persuade the electorate to accept wise policies that may be painful in the short term. There is often no industrial peace because management and unions are locked in a class conflict. As the current political crisis in Italy shows, corruption is a disease of democracy as well as authoritarian systems. Western democracy is a fragile flower that cannot be easily transplanted to the soil of some Asian countries, such as China, that have no democratic tradition.

I agree with neither the Western nor the opposed thesis. There are democratic governments that have succeeded in promoting economic development and others that have failed. There are authoritarian regimes that have succeeded and those that have failed. It is not possible, on the basis of the empirical evidence, to assert a causal link between democracy and economic development or authoritarianism and economic development.

Instead, what the world needs is not one system or the other, but good government. Agreement on the need to promote it could act as a bridge between Asia and the West. Such a regime could be democratic or authoritarian, presidential or parliamentary, a constitutional monarchy or a republic. There are indicators of good government: wise

and honest political leaders; a competent and clean bureaucracy; economic policies that promote growth and reward enterprise and achievement; social policies in such fields as housing, education and health care that make every citizen feel a stakeholder; national teamwork and partnership between government, business and labor; acceptance of the rule of law and an independent judiciary.

A good government accepts the obligation to face the electorate, at fixed intervals, in a free election to win the people's mandate. It fosters growth of a civil society, pursues a policy of good neighborliness toward other countries and abides by the rules of international law and the norms of international behavior. It strikes an equitable balance between economic development and protection of the environment, and between order and liberty.

Of these indicators, the most important is the quality of political leaders. For example, Anand Panyarachun served on two occasions in recent years as prime minister of Thailand. He was not elected to office, yet most Thais and other Asians would agree that his caretaker administrations had many of the characteristics of good government.

It is possible, on the basis of evidence, to assert that economic development will lead to demands by the people for more political openness, greater participation and accountability. Those in the West who wish to promote democracy in Asia should promote, not subvert, economic development in the nondemocratic countries of Asia.

The writer, a former Singapore ambassador to the United States and the United Nations, is director of the Institute of Policy Studies in Singapore. He contributed this comment to the Herald Tribune.

**In France, a Season for Conciliation and Healing**

By Jim Hoagland

PARIS — Power changed camps in France recently, moving swiftly from left to right to usher in the reign of Balladur the Bland. After centuries of elevating the politics of conflict to an art form, the French are governed today by a prime minister who practices politics of conciliation.

Edouard Balladur, the conservative prime minister, has worked hard at being soothing during his first month in office. This reflects, in part, his smooth, almost unctuous style. But conciliation is also a matter of strategy he surveys a jumbled political scene that turns more on personal relationships and ambitions than on big ideological or social issues.

So far the change from a Socialist-led government to the center-right coalition that now controls Parliament has brought no great upset in policies or programs. Mr. Balladur and his cabinet have been careful not to pose direct challenges to President François Mitterrand, who still has two years to serve even though his Socialist Party was crushed in legislative elections on March 21 and 28.

In this "cohabitation," power is a bright new golden coin to be spent by Mr. Balladur and his eager, energetic

allegedly hounding Mr. Bérégovoy over an interest-free loan he accepted from a well-connected businessman. Others emphasize that criticism from his fellow Socialists demoralized him after the election.

But this upheaval underlines the validity of the nonconfrontational approach that Mr. Balladur has adopted over the objections and complaints of many of his supporters. They wanted to force an early crisis that would drive President Mitterrand from office. But France is too frazzled for such games.

Mr. Balladur comes to office with the national treasury depleted by a pre-election yearlong spending binge by the Socialists and the unemployment level steadily rising above 3 million, a level that French leaders have traditionally said cannot be tolerated. Like Bill Clinton, Mr. Balladur has promised an anxious electorate to focus on fixing the economy.

He has enhanced his reputation for competence with his initial actions on the financial front. He leaned on the central bank to cut interest rates despite while keeping the franc stable on

foreign exchange markets, a feat that the Socialists did not dare attempt. The air of quiet competence cultivated by Mr. Balladur and his foreign minister, Alain Juppé, may be a good omen for Americans as well. The new cool style of Paris may help avoid open confrontation on trade, military strategy in Europe and other areas of potential discord.

In an interview at the Quai d'Orsay, Mr. Juppé said that France wants to find a way to revise and implement the agricultural agreement signed in Washington last December between the United States and the European Community. The agreement, a key element in concluding the long-stalled Uruguay Round trade talks, gives the United States compensation for EC restrictions on soybeans and other oilseeds.

The agreement, all but rejected by the Socialist government, had been put on hold pending the legislative elections. Mr. Juppé repeated the previous government's criticisms that the Washington agreement unfairly penalizes France. It has to be revised, he said. "We cannot accept it as it is." But his formulations left the impression that France would not seek radical changes in the agreement if progress can be made elsewhere in EC and Uruguay Round negotiations.

Mr. Juppé also said the government favors decreasing tension with Washington over NATO. He expressed confidence that Paris and Washington can cooperate on new forms of defense in Europe suggested by France and Germany but resisted by the Bush administration. "We may be able to consign theological disputes over this to the past," the foreign minister said.

Total peace is not about to break out between Paris and Washington, nor between the left and the right in France. But Mr. Balladur's bid to bring a little blandness to bear on the problems he has inherited is a promising opening. Unfreezing France is a worthy, urgent task.

The Washington Post

**Making It Everyone's Business**

By Anna Quindlen

NEW YORK — When the word went out among the good people of occupied Copenhagen that the Germans were preparing to round up their Jewish neighbors, Jorgen Kieler, then 23, was a medical student working with the Resistance. In the space of two days he and his friends helped organize 13 fishing boats, "our little fleet," that carried more than 800 Jews to Sweden and safety.

Jorgen Kieler went on to have his skull fractured during an interrogation, to spend time in two concentration camps and eventually to become director of the Danish Cancer Research Institute. On Tuesday in New York, the Jewish Foundation for Christian Rescuers honored him, his sister and other Danes who saw to it that all but a few hundred Jews escaped the Germans. "It could not," said Dr. Kieler, "have been otherwise."

How simple it is to recognize the right thing in retrospect. How difficult it can be at the time. Many Americans want to do the right thing in Bosnia, but many are confused about what the right thing might be. Perhaps a small group of women reflect the larger issues that plague us. They are rape counselors, from St. Vincent's and St. Luke's-Roosevelt hospitals in New York and Rape Victim Advocates in Chicago, who have formed the Balkan Rape Crisis Response Team. Four of them went to Zagreb and Split to train medical personnel to deal with survivors of the war crime that has become the central horror of this war.

They went with preconceived notions based on their experience and training. But in the words of one, Meghan Kennedy, they discovered that they had to "take off the white coats." Some of what they had to offer was useful, some simply beside the point because of the severity of the trauma and the conflict. "We had to become humble," said Ms. Kennedy. "We had to say, 'Take what we offer that is useful and forget the rest.'"

She and the others became aware of how much of the international relief effort was well-meant but ill-conceived. Some groups were interested in data collection. Were you raped? They would ask a woman. How many times? By how many different men? One clinic had a sign over a doorway: RAPE VICTIMS. And women were urged to tell their stories, even and over again to reporters, even if the telling was traumatic.

Good intentions, bad execution. That is what some fear about military intervention as well. Many Americans say they still do not fully understand the conflict or what the United States could possibly do to resolve it. And it is true that intractable conflicts are extraordinarily difficult, whether American threatens air strikes, commits ground troops or joins a UN force.

But some old lessons are invaluable. Elie Wiesel, devoted always to the eternal flame of memory, turned to the president at the dedication of the Holocaust Museum in Washington and said: "I have been in the former Yugoslavia last fall. I cannot sleep since what I have seen. As a Jew, I am saying that. We must do something to stop the bloodshed in that country."

Public television aired a documentary to coincide with the dedication. "Memory of the Camps" includes endless footage of the emaciated, pale limbs and blank eyes of corpses as well as some of the Burgermasters from nearby towns, taking it all in. "They shrugged their shoulders and beat their brows and tried to say it had been none of their business," the narrator intoned.

"Mankind was my business," the ghost of Jacob Marley tells Scrooge to save him from perdition.

George Bush gave the American people perhaps a half-dozen reasons for going to war in the Gulf. Bill Clinton has only one in Bosnia. He must have a clear mission, a clear plan. But first the president must state both the simplest and the most powerful of motivations: Stopping the slaughter, foiling genocide is the right thing.

You can say: Why America? And I can tell you what Dr. Kieler said. It was he who was preparing to be honored as a rescuer of men, women and children who might have lived truncated lives and died horrible deaths had not one young man with a comfortable existence and a sure future risked both.

"I would like to end by telling you this," he said. "We were rescuers, but we were rescued, too. The Americans, they were our rescuers. So thank you, America."

The New York Times

**IN OUR PAGES: 100, 75 AND 50 YEARS AGO**

**1893: Never Gladstone**

CONSTANTINOPLE — A gentleman at Salonica ordered from England a number of books, including the *Life of Mr Gladstone*. When the parcels arrived this work was not there. It had been burned by order of the Turkish Censor. Another incident connected with Mr. Gladstone is even more amusing. The British Ambassador was interested with the authorities in favor of an Armenian Bishop, on the ground that there was no case against him. "What! No case?" said the Turkish functionary. "Pray, what do you say to this sentence of guilt?" He produced a letter to the unfortunate prisoner from the British Prime Minister.

Germany to Belgium via Dutch waters of a maximum yearly quantity of 1,600,000 tons of sand and gravel which Germany guarantees will not be used for military purposes. Holland also has agreed to the exportation and transportation of goods other than arms and munitions.

**1943: Tension in Sweden**

STOCKHOLM — [From our New York edition:] Sweden still clings to a precarious neutrality, confident that the latest crisis over the sinking of the submarine *Ulfen* will end with a return to what, during the last three years, has become the "normal tension." The surface of life is so peaceful it is difficult to realize how grave is Sweden's plight. Over May Day weekend thousands took to the country and to island retreats. Stockholm, with the possible exception of Madrid, is the last capital in Europe where men and women in evening clothes through the clubs and cafes. Yet the tension is unmistakable.

**1918: Dutch Passage**

PARIS — The Dutch Minister of Foreign Affairs has declared that the tension between Holland and Germany has disappeared. Holland has agreed to allow the passage from

The writer, an associate editor of the *Pacific News Service*, contributed this comment to *The New York Times*.

OPINION

Clinton and the Case for Government

By E. J. Dionne Jr.

WASHINGTON — The albino hanging around the necks of President Bill Clinton and almost every other Democrat is called government. Democrats cannot get to where they want to go as long as voters see government as a synonym for waste. This leaves Democrats with two choices: They can pretend they are as anti-government as anyone

To the extent that he abandons 'new Democrat' themes, he is weakening the case for government.

else, or they can try to change people's minds about government.

Democrats often opt for the most disingenuous course. At election time they rail against government waste and pledge to be skinflints. When safely in Congress they vote for substantial spending while continuing to pretend that they are anti-government. As a result, voters rarely hear the case for active gov-

ernment and thus decide, not unreasonably, that the people they are electing are being dishonest.

The strategy of being rhetorically anti-government and operationally pro-government may win some elections, but it is not sustainable over the long haul — especially if you have to govern. This may explain why Senator Bob Krueger is having trouble in the special election in Texas.

Mr. Clinton also suffers to the extent that the anti-government mood makes deficit reduction the one and only test of his seriousness for a lot of voters — especially Ross Perot admirers — and for much of the commenting class. Mr. Clinton's program, which includes a lot of new spending, is doomed to fail such a narrow test.

The anti-government constituency is fed by two quite different streams of voters. There are the principled conservatives and libertarians who think that government is necessarily wasteful and oppressive. This view was neatly summarized by David Stockman, Ronald Reagan's first budget director, who spoke for "minimalist government — a spare and stung creature that

offered evenhanded public justice but no more."

Only a minority of the electorate believes in this. The anti-government constituency has swelled because of people who would like government to do good things but have lost faith in its capacity to do so. Their ambivalence is expressed in the fact that they often blame government for the troubles facing the economy. That shows that they would actually like government to "fix" the economy — which is asking government to do a lot. But when government fails to do that, they turn on it with a vengeance.

Defenders of the federal government have another problem: The benefits it confers are often invisible or taken for granted. Voters living under even the worst local governments can see cops and firemen on the streets; they know that there are parks and libraries and school buildings and teachers; most of the time the garbage gets picked up. Local government failures also feed the anti-government mood. But at least the benefits of local government are tangible.

Not so those of the federal government. More than 60 percent of

federal spending goes to Social Security, Medicare and other health programs, as well as to defense and interest on the debt.

Nothing need be said about the non-benefits of the interest payments. Defense spending does benefit particular groups, but the link between how much Americans spend and how well-defended they feel is pretty obscure. While slashing the defense budget may make some people feel less secure, each additional dollar spent on the military does not make people experience a dollar more of security.

As for Social Security and Medicare, most of the retired will argue that they paid in for years and are thus entitled to the benefits. Government gets no credit, only blame if benefits are trimmed.

Mr. Clinton's "new Democrat" message arose in direct response to the sense among so many middle-class people that they were getting nothing from government. It is simply not true that in declaring himself a "new Democrat" last year Mr. Clinton ran as an anti-government candidate. He ran as a candidate who favored active government but would also make government do things differently, see to it that the middle class got something out of government and shape programs that reflected its values.

To the extent that he abandons "new Democrat" themes, he is weakening the case for government. Paradoxically, old-fashioned Democrats who want government to do more need Mr. Clinton to be an effective new Democrat.

Thus the importance of his new national service-student loan initiative. The service portion is organized in an anti-bureaucratic way to promote activities by nongovernmental institutions. It makes the point that government should not only hand out booty but also encourage citizens to behave like citizens. The student loan part is about relieving the middle class of a big headache — its worries about how to send the kids to college.

Government has failed often enough that taxpayer skepticism cannot be dismissed as coldheartedness. But if Democrats cannot make the case for government, not only will they lose but they will deserve to.

The Washington Post

The Trap Has Opened, So Let's Be Free

By John le Carré

BOSTON — It wasn't the spies who won the Cold War. I don't believe that in the end the spies mattered very much.

Their capsule isolation and their remote theorizing actually prevented them from seeing, as late as 1987 or 1988, what anybody in the street could have told them: "It's over. We've won. The Iron Curtain is crumpling down! The moonlit we fought is a bag of bones! Come out of your trenches and smile!"

Even the victory, for them, was a cunning Bolshevik trick. And, anyway, what had they got to smile about? It was a victory achieved by openness, not secrecy. By frankness, not intrigue. The Soviet empire did not fall apart because spooks had bugged the men's room in

ment, my genre is no longer at the center of our concerns. Though the spies spy on, they cannot impress us as they used to.

The same, it has been said, goes for me. You may have read about my premature demise. Well, even if it were true, which it isn't, you wouldn't see me crying in my beer.

Spying was the passion of my time. I was there. I felt some of it on my own body. I reported on it. And as I grew away from it, and recollected it in tranquillity, I made it my bit of earth, my context, my way of looking at life. So I ask myself: What did we become when we were who we were? And is it still around? And did we, in fighting for our freedom, give too much of it away?

The Cold War is over, but I don't remember any singing in the streets or church bells ringing. Are we too tired to sing? Or too dazed by our luck? Has something crippled us on our way from there to here?

Is our doctrine of endless expansion in a shrinking world as played out as the doctrine of endless revolution that we have just sent packing? A few years ago, when a far country was threatened by communism, we hurried to its aid. Their problem was our problem. We made heroes out of timid dictators who shouldn't have entertained in the woods.

Ton often we confused anti-colonialism with communism, but then the Communists did that, too. We gave money. Mostly, American money. Some of it feathered some pretty disgusting nests, but some of it got to the right places. At least we acted. We said we cared. Our response to communism was sometimes crude and sometimes misguided, but it was the only one we had. It was justified and it worked.

Today, when a not-so-far country is torn apart by civil war, and one of its ethnic minorities is being put to torture, rape and murder before our eyes, our politicians tell us not to become emotional. They mean: If you do, you'll have to pay for it.

"We didn't win the Cold War just to get involved in other people's fights. What's a little ethnic cleansing between ancient enemies? This is history, man."

Meanwhile, America stands where she never stood before: as the undisputed victor of a two-generation-long war of attrition, as the world's only superpower and — increasingly, it seems — its only arbiter.

But Europe and America still hesitate. Because we are afraid not just of this involvement — in former Yugoslavia — but of the precedent we would be creating.

"So we go in," say the doubters. "We bomb. We put in ground troops. We clean the place up and as soon as we get out they start

again. Is that what we're into now? Quartering the globe, intervening whenever the news media decide they can raise a tear in the public eye? Next stop Sudan? And after that, how about we grapple with the former Soviet Union maybe? They're having atrocities daily over there, while our eyes are still fixed on former Yugoslavia.

And then that same old sneering cry: "We're being too emotional."

And, of course, they're right. Except. Except that, if there is one eternal truth of politics it is that there are always a dozen good reasons for doing nothing. To do something, you've got to want to do it. Like, for instance, Desert Storm or the Falklands.

Then we're talking spheres of interest and geopolitics and honoring unbreakable promises. And we're allowed to be as emotional as we like, just as long as we remember to keep our pity under control elsewhere.

Also, whatever the outcome of the present argument about what to do with former Yugoslavia, I don't think there's any way on earth that the United States can escape the responsibility for repeated and risky foreign intervention in the coming decades.

With the clamps of the Cold War removed, old feuds are going to flare up everywhere. A Pax Americana of some kind is inevitable. Also — I don't think that young America is abroad — I don't think that young America is going to put up with being a spectator to the rest of the world's misfortune.

America is not only the world's arbiter but, after the Cold War, its savior. What we see in the bleak, bad world at the moment may look more like chaos than peace, but it's the most peace we've had for a long time. And America gave it to us.

The fight against communism diminished us. That's why we were unable to rejoice at our victory. It left in us a state of false and corrosive orthodoxy. It licensed our excesses, and we didn't like ourselves the better for them. It dulled our love of dissent and our sense of life's adventure.

In my country, and perhaps in America as well, the service industries of criticism have almost drowned the magic of creation. Our intellectuals hate too much. Our press revels in public executions. We are poisoning ourselves with malice. Yet we take no risks. We are not brave. Our orthodoxy still gives us no way out.

Yet we have never been so free. We no longer need to clip the wings of our humanity. It's time we flew again.

The writer's new novel is the forthcoming "The Night Manager." This comment was adapted by The New York Times from a speech to the Boston Bar Association on May 3.



LETTERS TO THE EDITOR

Look Beyond Bulgaria

Stephen S. Rosenfeld's view of hope emerging from the progress of Eastern Europe ("The Central European's Glass Ceiling to Hope," Opinion, April 24) is sweet but ahistorical. It is true that Bulgaria is the one country in the region that refused, as a nation, to hand over so much as one Jew to the Nazis, and Bulgarian attitudes toward Gypsies are a far cry from the hatred openly exhibited by large numbers of Czechs and Slovaks, for example. The Bulgarians should have a place of honor in the Holocaust Museum — but it is dangerous to view their attitudes as reflecting advances in the race-consciousness of Eastern Europe. Mounds of evidence in the rest of the region call for concern and action.

HASSAN el SAWAF, Cairo.

Many Bosnians

Those who insist on America's "moral obligation" in Bosnia should realize that situations analogous to ex-Yugoslavia are happening in many parts of the world. If the United States intervenes militarily in Bosnia, it should be prepared to explain what makes Bosnia more important than Cambodia, Togo or Sri Lanka, to name just a few.

DOUGLAS T. WALTERS, Ramonville-St.-Agne, France.

In Mutual Contempt

The editorial "Serbia Is Sowing Disgust" (April 15) states that the Serbs risk earning the world's deep contempt and isolation for years to come. But the Serbs have nothing to fear. While the genocide goes on every day, the world sits idle and transfixed before its TV sets. The Serbs know: Today our threats are vain, our protests are hollow, our tears are dry. And tomorrow we will do everything to forget.

GUY KERVYN, Brussels.

Spanish Peace Force

May I call your attention to the seldom-mentioned Spanish role in UN peacekeeping operations in former Yugoslavia, escorting relief convoys with British, French and Canadian troops. The Spanish force of 550 men is made up of professional soldiers drawn from

the Spanish Legion, once commanded by Franco, traditionally known as *novios de la muerte* (betrothed to death), they take great pride in their new role as peacekeepers. Spain is also participating as an equal UN partner in Adriatic and Danube naval blockades.

HAMPTON TERRY, Valencia, Spain.

Fire at Will

Regarding "Guns: Stop the Carnage, Ban the Damn Things" (Opinion, March 25) by Molly Ivins:

The often quoted words from the U.S. Constitution, "a well-regulated militia" and so on, only allow the formation of a state national guard, but in no way prohibit the ownership of weapons by individuals.

The several states may make any law they wish regarding small-arms ownership. And so they do. The most obvious example is my home town, the well-known haven of law and order, New York City. It "banned the damn things" back in 1933, and as a result, weeds grow in the streets of Gotham, and I'm sure Ms. Ivins would be perfectly safe on the South Bronx Express at 2:30 A.M., armed only with her trusty Rottweiler and a Swiss Army knife. (As a party of one, I think I'd prefer a Smith & Wesson "38 'Cobra' pistol.")

Alas, "banning" anything (booze, marijuana) just drives the price up. And would you really feel safer in gun-banned Bedford-Stuyvesant in New York, than in Zurich, where every householder is required to "bear arms"?

WILLIAM S. WALKER, London.

Except About Egypt

Regarding "It Will Make a Shiny 100 Days of Foreign Policy" (Opinion, April 17):

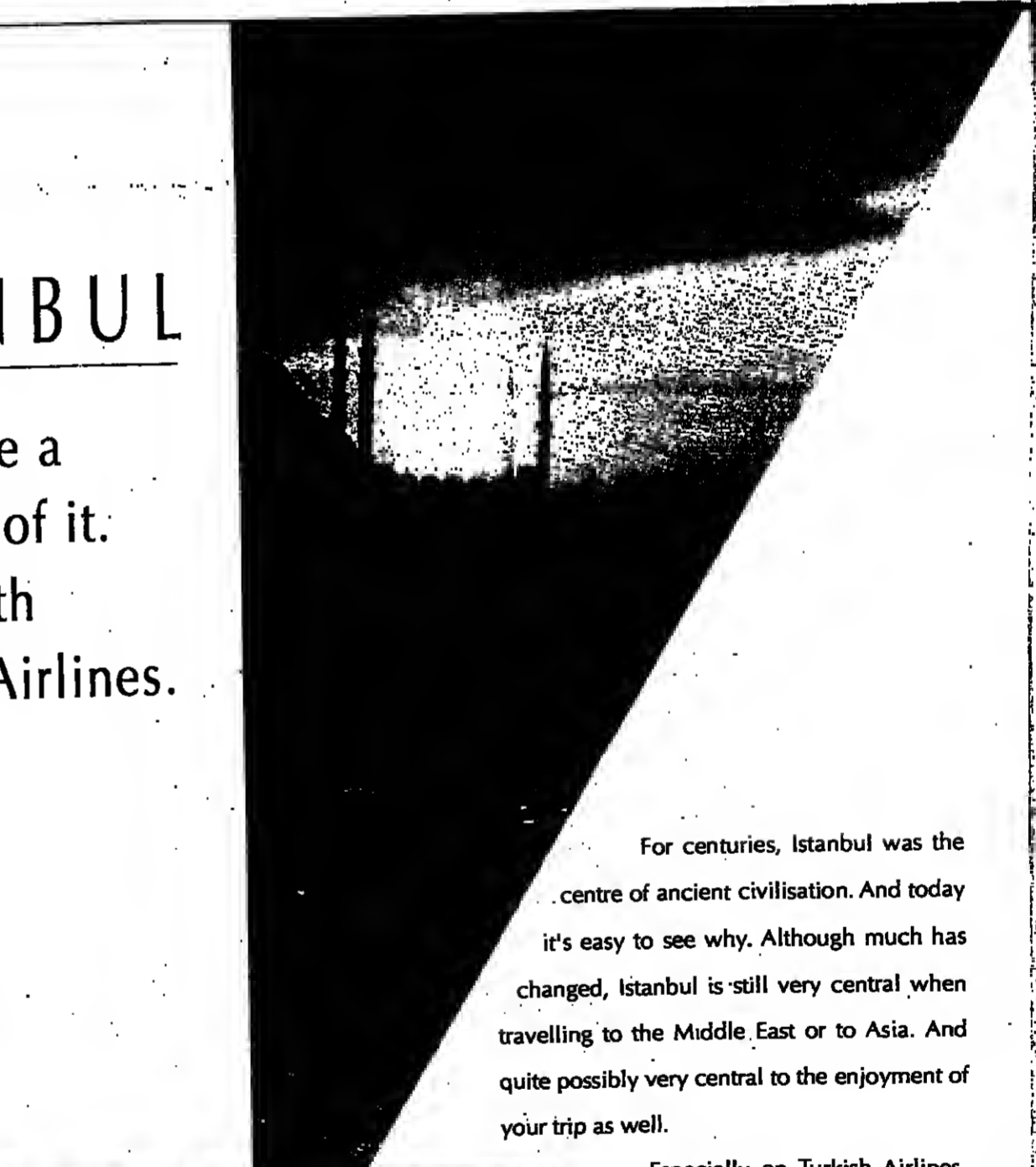
I agree with Charles Krauthammer on President Bill Clinton's diligent approach to foreign policy, except for one important point. President Boris Yeltsin of Russia deserves support; President Hosni Mubarak of Egypt does not. Mr. Yeltsin embodies a new Russian attitude that can tolerate criticism and defend desperately needed reforms. Mr. Mubarak, by upholding his predecessors' oppressive policies, is largely responsible for the spread of fundamentalism in Egypt. His current endeavors to curtail the radicals will only bolster their resolve and push catastrophe to a later date — with much higher stakes. Parochial American foreign pol-

icy, nothing new, is abetting a regime in which presidents lose their jobs only when they pass away and in which human rights command not an iota of respect.

NAOMI WORONOV, Bratislava, Slovakia.

ISTANBUL

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TURKISH AIRLINES NEW HORIZONS IN COMFORT

BRIDGE

By Alan Truscott

NOBODY can be sure that Colonel Richard Freley of East Quogue, Long Island, and Jessie Scudder of Riverhead, Long Island, are the world's oldest winning bridge partnership, but it seems likely. He is 92, she is 94, and they learned to play more than 75 years ago when "bridge" meant the auction game, with contract in its finished form still a decade away.

They play several times each week, and one of their numerous victories came March 23 when they celebrated the colonel's birthday by winning the Shinnecock Club Championship, directed by Benie Rightor and Linda Ward. A week ago, reports Kathleen McClatchen of Water Mill, Long Island, the colonel as South on the diagrammed deal used the direct methods of

bidding that were popular in the early days of the game. When his partner opened one diamond he made an immediate response of six hearts.

It was likely, but not certain, that six hearts would prove to be the right contract, and it did so prove. But South knew it would not be easy to determine whether six hearts was a bad contract or whether seven hearts was a good one. And there was another factor: If the opponents were able to enter the auction they might well find a cheap save in six spades.

The penalty in six spades doubled would probably have been a mere 500, giving East-West a good score against those who defended four hearts. Six spades doubled would have been good even if both sides had been vulnerable: down 800, against the 1,460 that the Col-

onel scored when he won the opening spade lead in dummy and finished in hearts to collect an overtrick.

Table with bidding information: NORTH (D) A 9 5, S 7, K Q J 8 7 6 5, Q. WEST Q J 10 7 2, 4. EAST 10 8 5 4 3, 7 6 4, 10 9 2, J 4. SOUTH A Q 10 8 6 5 3 2, A 3, A 8 7.

North and South were vulnerable. The bidding: North East South West 1 0 Pass 6 0 Pass Pass Pass West led the spade queen.

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EUROPE: Setback for EC Treaty

(Continued from page 1) Dances will hold a nationwide referendum on May 18, nearly a year after voters in an earlier referendum narrowly turned down the treaty. The government's embarrassing retreat comes at a bad time, on the eve of nationwide municipal elections in which the Conservative Party is already expected to lose ground. In addition, the party risks having its narrow 21-seat majority in the House of Commons whittled to 20 on Thursday, when voters go to the polls in Newbury, in southern England, to fill a vacancy left by the death of a Conservative member of Parliament earlier this year. Public opinion polls show the Tories trailing in the race.

MARBELLA: Mayor Takes Aim

(Continued from page 1) hopes to gain influence in Madrid. With neither of the main parties likely to win a clear majority in the 350-member Congress of Deputies, Mr. Gil believes that if his party can win 30 of Andalusia's 61 seats, he will be in a strong bargaining position. Few experts would share his optimism. And his critics in Marbella are counting on his doing badly. "He knows his popularity is down and, if he loses, his power to govern here will be weakened," Miss Garcia Marcos said. "But, you know, he's a great communicator," she added. "There's no substance to him, but he has a great ability to convince."

BOSNIA: Russia Commits Troops

(Continued from page 1) calls by Russian nationalists that Moscow must never betray its traditional responsibility for fellow Orthodox Slavs, Mr. Yeltsin has become increasingly impatient with the unwillingness of the Bosnian Serbs to make peace. Emboldened by his victory in last month's referendum, he has pressed President Slobodan Milosevic of Serbia to use his influence over his Bosnian clients and persuade them to accept the Vance-Owen accord. Mr. Kozirev would not disclose how many troops Russia would commit to the potential force, which could number between 60,000 to 70,000, but said, "Whatever is necessary will be done." The Russians insisted that their troops would have to operate under the UN umbrella. The United States, which is prepared to provide close to half the forces involved in the operation, is eager to keep maximum control. The Western allies still have not defined how many troops each NATO member country will provide.

A New Minority in U.S. as Black Schools Admit More Whites

By Peter Applebome  
New York Times Service  
ATLANTA — On his second day as a student at Morehouse College, Michael Davis found himself called onto a stage with the film director Spike Lee because of what many students had taken to be a serious problem at the school: Mr. Davis's presence there. Thus began Mr. Davis's life as the only white student at Morehouse, the elite black men's school here whose graduates include Mr. Lee and the Reverend Martin Luther King Jr. In an unusual twist to the racial issues on American college campuses, more and more whites are choosing to cross the racial divide and become part of a minority at the 107 colleges in the country that have long been attended mostly by blacks. One-eighth of the students at those colleges — 33,953 out of 268,591 — are white. Most of them are attending one of 10 formerly all-black institutions, mainly state colleges in the South, that are evolving into racially mixed ones, sometimes under court order. At others such as Morehouse, which is a private college, whites make up only a tiny percentage. Some, like Mr. Davis, are attracted by the cultural and intellectual experience of attending a black school. But most go because of interest in particular

courses, or because of generally lower tuition costs, or sometimes as part of a concerted effort by state legislators or the colleges themselves to bring diversity into the schools' student populations. While many of these white students have experiences that are far more positive than other whites might expect, some say they have encountered the kind of racial stereotyping, isolation and harassment that blacks complain of on predominantly white campuses. Their experiences reflect contemporary complications of the racial issue that go beyond the lessons of the American civil-rights era of the 1960s. And their presence raises questions about the direction of America's black colleges, some of which are trying to attract more non-black students even as they are growing in popularity because of their focus on black culture and black achievements. Many black students object to the presence of whites at what they see as one of the few institutions in America in which their values and culture predominate. "If you start admitting whites, then it won't be a black college anymore," said Lee Rankin, an 18-year-old freshman at Spelman, a private college in Atlanta. "It will be a mixed college, and that's not what I came here for." But while few education experts see much chance

of whites becoming a major presence at many black schools, many school officials say the universities are likely to become more diverse. Mr. Davis last year became the first white person to receive a scholarship to Morehouse. Despite suffering occasional slights, he says, he has a positive view of the school, where he is in his second year and is studying mathematics and engineering. "I think I'm getting a unique education that will be helpful not just now, but for whatever I end up doing after I leave college," said Mr. Davis, a burly 20-year-old with closely cropped hair who grew up in an integrated neighborhood in Chicago. With the exception of a few truly integrated institutions, black campuses are relentlessly geared toward black culture. The music blasting from car radios and dormitory rooms is rap and funk. The pictures and exhibits in libraries and classrooms honor black educators, sports heroes or business leaders. Students wear T-shirts saying "The blacker the college, the sweeter the knowledge." The white students "face the same sort of isolation as black students on white campuses, only it may be worse because there are fewer of them," said Sterling Hudson, director of admissions at Morehouse. "They feel like pioneers." More common than Mr. Davis's feelings may be those expressed by John Horecky, a thin, blond-haired student at Jackson State University in Missis-

sippi. Like many whites on black campuses, Mr. Horecky, 24, did not come directly from high school. And, like most others, he was drawn to Jackson for purely professional reasons. He is taking mostly science courses and hopes to become a doctor. Mr. Horecky said he has made some friends and regularly has lunch with students in one of his classes, but Jackson State, he said, is not a place where most whites would feel at home. "We're required to attend these lectures where it seems to me the point is to denounce whites," he said after a recent talk by a black psychologist. "I'm sitting there, the only white in the audience, and you have a speaker saying that whites just want to be like blacks, they lay out in the sun to get a tan, they're jealous of the black male. I guess the purpose is to motivate black students, but I didn't appreciate it at all." Rubyce Neely, a spokeswoman for Jackson State, said she could see how white students could feel uncomfortable at some campus lectures, but that talks at the school were intended as positive expressions of black culture, not as statements against whites. "If you look at history, any analysis that adequately analyzes the black experience would make any thinking white person feel uncomfortable," she said.

Cambodia Slaying Leads Japan to Rethink Role

By Paul Blustein  
Washington Post Service  
TOKYO — In any nation, the killing of a countryman serving in UN peacekeeping forces would merit a modest amount of attention and sorrow. But in Japan the news that a Japanese policeman was slain in Cambodia has hit like a thunderbolt, and stirred impassioned debate about whether the government could pull Japanese personnel back to safe areas of Cambodia — all the way back to Japan. Every major news broadcast and newspaper front page Wednesday as dominated by the story of yesterday's guerrilla attack in north-

west Cambodia that killed Haruyuki Takita, 33, and wounded four other Japanese policemen. members of a 75-strong detachment sent under UN auspices to help maintain order in the war-ravaged country. Japan Broadcasting Corp. expanded its normal half-hour 7 P.M. news show to a full hour, most of which was devoted to the ramifications of the attack and a discussion of whether the Japanese should continue to be exposed to the escalating risks of violence in Cambodia. In contrast to a country such as Canada, which has lost 90 troops in UN peacekeeping missions over

the years, the development was treated as historic because, in this deeply pacifist country, it was Mr. Takita is the first Japanese since World War II to die in a military clash while serving abroad under government orders. (Another Japanese killed in Cambodia last month was a civilian volunteer.) Government officials declared emphatically that Japan would continue participating in the Cambodian peacekeeping operation. The Defense Agency chief, Toshio Nakayama, said in New York that neither Japanese military nor police personnel would be withdrawn unless the Cambodian elections, scheduled to start May 23, are canceled because of guerrilla violence. Most of the commentary since the killing has focused on the question of what steps the government should take to minimize the chances of other Japanese being attacked, plus the issue of whether the government should declare the Cambodian cease-fire to have broken down. The latter issue is particularly important because, under the new Japanese law, Tokyo is supposed to withdraw its personnel from countries where cease-fires become ineffective. Newspaper editorials were sharply divided. The Asahi Shimbun said it was "hard to swallow" the government's contention that

FLEE: Nadir in Cyprus

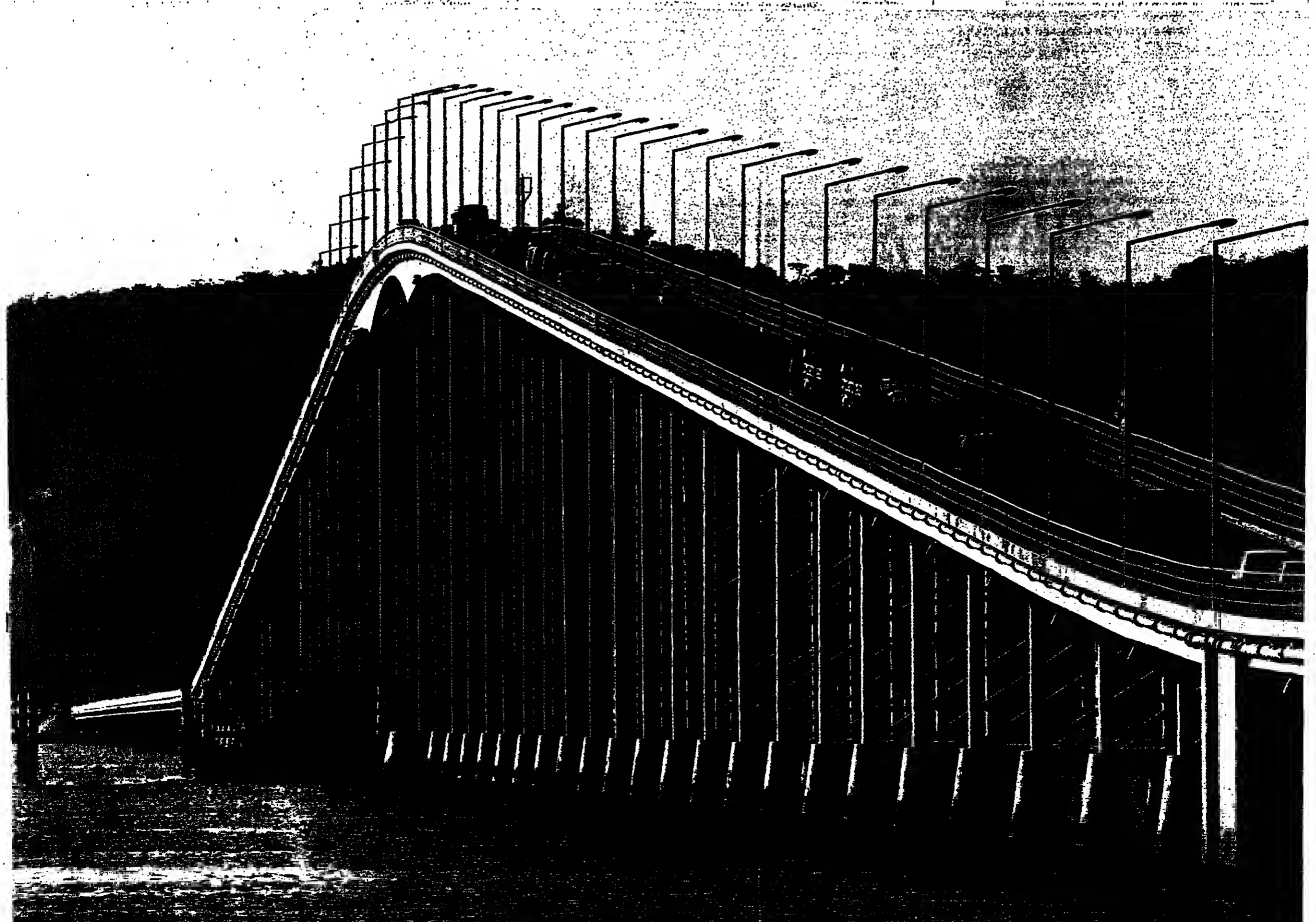
(Continued from page 1) The Serious Fraud Office, the government body responsible for Mr. Nadir's case as well as those of Blue Arrow and Guinness, issued a statement Wednesday pointing out that it had strongly resisted granting bail to Mr. Nadir. Mr. Nadir's departure before his trial, scheduled for September, has provoked fresh debate on financial policing within the United Kingdom. The Serious Fraud Office "is seriously under-resourced and not equipped to deal with things," said Adrian Maxwell, a retired detective with 23 years' experience and a former inspector with the fraud office. "It needs to grow, but the U.K. finance ministry is putting it under pressure to get smaller," Mr. Maxwell said. He added, referring to the Securities and Exchange Commission in the United States, which regulates securities trading: "There should be an SEC-style body accountable to the equivalent of the Department of Justice. Financial regulation generally in the U.K. is not effected from outside the markets and rigorously enforced, but is seen as a soft option that comes from within the markets."

CAMBODIA: Khmer Rouge Guerrillas Attack Chinese and Polish Peacekeeping Forces

(Continued from page 1) al recent skirmishes between the belts and troops of the Cambodian government. The United Nations insisted again Wednesday at it would go forward with the action, scheduled to begin on May 23, despite the threat of stepped-up Khmer Rouge violence targeted against the UN force. "We expected a difficult time before the election," Mr. Falt said. "It is indeed going through a season of turbulence." The Khmer Rouge, responsible for some estimates for the deaths of more than 2 million Cambodians when it controlled the central government in the 1970s, joined in the

1991 UN peace treaty intended to end the civil war. But the rebel group has since backed out of the peace process and has suggested that it will violently disrupt this month's UN-sponsored elections. The Khmer Rouge claims that the voting has been rigged to guarantee victory for the current, Vietnamese-installed government. The attack on the Chinese encampment in Kompong Thom was the first time that Khmer Rouge rebels have been linked to an assault on Chinese troops serving in the UN force. "It's a dramatic development if the Khmer Rouge now has the nerve to attack even the Chinese,"

the UN-sponsored peace process. The death of the Japanese peacekeeper on Tuesday led to an angry dispute Wednesday between the United Nations command in Phnom Penh and the Japanese government over Japan's decision to recall its civilian policemen to Phnom Penh. UN officials said the Japanese government had no right to issue orders to the police officers as long as they served in the UN command. "The Japanese really don't understand how this is supposed to work," said a UN official, speaking on condition that he not be named. "They are supposed to follow UN orders, not Tokyo's orders."



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## A Center to Meet Everyone's Needs

Upbeat and future-oriented, Austria Center Vienna is striving to lay the groundwork for even more success in the coming years. It has no intention of resting on its laurels.

Opened in 1987, the city's most modern multipurpose conference complex is located along the Danube River next to the Vienna International Center. It is 20 minutes by highway to Vienna International Airport and eight minutes by underground to the inner city and the elegant Kärntnerstrasse shopping district.

Austria Center Vienna has established a reputation for major congresses. It continues the city's tradition as a meeting point for the world while providing an advanced technological infrastructure. The congress center focuses on developing creative solutions for a customized package of services. A highly motivated staff is committed to helping organizers stage successful congresses, from the first inquiry to conclusion. Austria Center Vienna can also arrange for entertainment, banquets, balls and other activities. It can put clients in touch with the Vienna Convention Bureau and with exhibition specialists.

Conference organizers have the choice of 14 halls on four levels, comprising 9,500 square meters of space. Each hall has its own foyer, conference rooms, offices and catering areas. There are seven catering points, facilities for simultaneous translation for as many as nine languages, projection equipment, closed-circuit television, a television studio and a press center. The largest hall can seat an audience of up to 4,200. Most of the halls

### Another record year for congresses is predicted in 1993

can be divided, using flexible partition walls, allowing several meetings to be held at the same time. One hall is equipped with a hydraulic lifting stage.

As a result, Austria Center Vienna has an impressive repeat booking rate of 40 percent. One prominent example is the European Radiology Conference, which took place in 1991. It is to be repeated in 1993, with 7,000 participants expected, and then again in 1995 and 1997. Since 1987, Austria Center Vienna has attracted about 150,000 foreign delegates and 50,000 accompanying persons, contributing \$300 million to the local economy during visits of an average of three days. A total of 187 events and 46 congresses were held in 1992. Despite tough international competition, Austria Center Vienna expects 1993 to be one of its best years ever.

"We highly value the most modern technical equipment and the multifunctional nature of the congress center," says Friedrich Herold, former chief of conference services at the United Nations in Vienna. "The commitment, cooperative efforts and flexibility of the employees were responsible for the success of all our conferences there."

Austria Center Vienna's client list of company meetings reads like a Who's Who of top multinationals: Beiersdorf, Coca-Cola, Daimler-Benz, Ford, Hewlett-Packard, IBM, Kodak, Mitsubishi, Siemens, Toyota, Unilever and Volvo. BMW, Microsoft, Nestlé and State Farm Insurance are among the newcomers in 1993.

In addition to conferences sponsored by the International Atomic Energy Agency, UNIDO, and other UN organizations, the Conference on Security and Cooperation in Europe rented two floors for two years in 1987-88. In 1988, the Third International Family Congress attracted 20,000 visitors, the European Society of Cardiology 11,000. The Eureka Conference of Ministers and International Social Security Organization conventions were held in 1989, followed the next year by the European Council of International Schools and the UNISYS Users Association, to name just a few examples.

In the future, Austria Center Vienna aims to orient its services even more to client requirements. The technological standards and creative use of space provide for an optimal, tailor-made approach to each conference.

In line with the latest trend toward holding large conferences with accompanying exhibitions, workshops and seminars, Austria Center Vienna has moved to boost its versatility and overall capacity. A new exhibition hall with 3,200 square meters of additional space will be opened this month.

It will be used for the first time as a multifunctional press center for more than 1,000 journalists during the 20-day United Nations Conference on Human Rights in June 1993, which will cater to up to 5,000 guests. Among the large congresses booked for the future are Dermatology 2000 in 1993 (2,500 participants), the Austrian Hair Congress next year (8,000) and the European Diabetes Congress in 1996 (6,000).

## The Million Mark

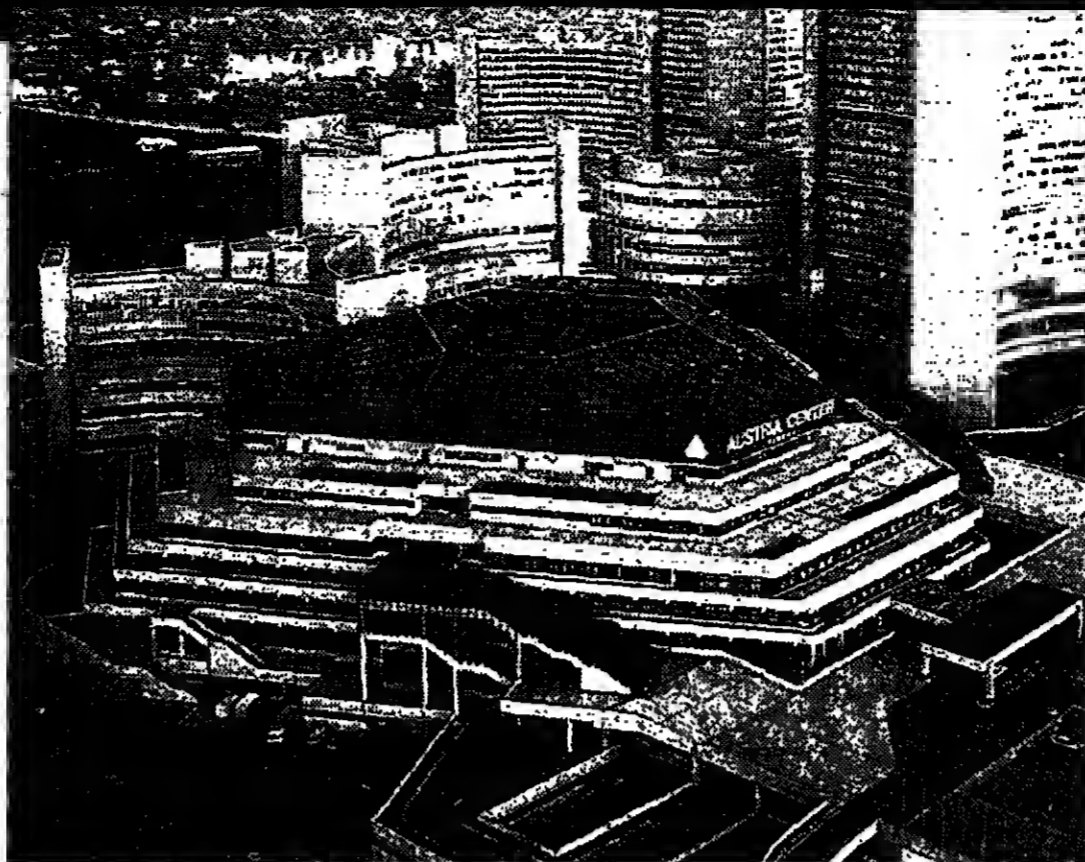
On May 17, 1987, the \$300 million Austria Center Vienna opened with pomp and fanfare. A show, featuring international stars was broadcast to 32 countries and a billion television viewers.

Since then, the Austria Center Vienna has held close to 1,000 events, including large conferences of medical and United Nations organizations, meetings sponsored by major multinationals, product launches, automobile shows and classical and modern concerts. In early 1993, the magic million mark was reached. At a ball, the Austria Center Vienna entertained its 1 millionth guest, who was presented with a weekend trip to Paris — for two, of course.

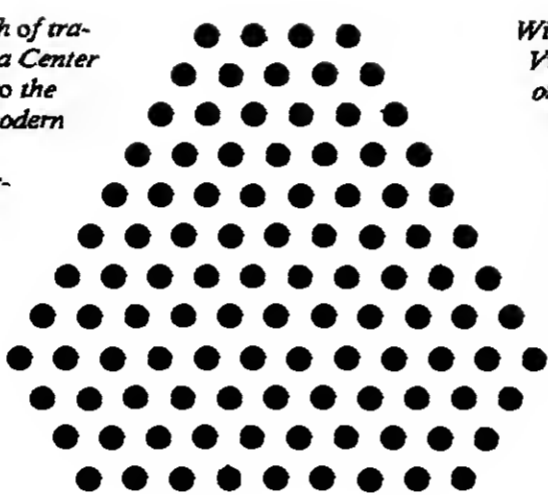
## In the Vanguard

In the latest statistics published by the Brussels-based Union des Associations Internationales, Vienna was ranked second in the world among all conference locations, behind Paris but ahead of Geneva, Brussels and London, with regard to the number of major conferences held.

Furthermore, a study published by Heinrich Otruba, professor of economics at Vienna University, states that 90 percent of the 800 conference participants surveyed were satisfied with the city's hotel service, cuisine and quality of conference organization.



Modernity within reach of traditional charm: Austria Center Vienna, built in 1987 to the highest standards of modern architecture, is within eight minutes by underground of the city center of Vienna, known the world over for its elegance and shopping facilities.



Within the Austria Center Vienna there are 14 halls on four levels, the largest seating an audience of 4,200. A total of 9,500 square meters is available for conferences, presentations or exhibitions, with the most modern facilities for translation, projection, television and the press.

# AUSTRIA CENTER VIENNA

## Role for Professional Marketing

Michael Auracher, managing director of Austria Center Vienna, answers questions about the center's strengths and strategies.

Conference and congress tourism is a competitive business. What are your main selling points?

The Austria Center Vienna must be considered in the light of its location. A client decides, in the first place, for a particular destination. Therefore, Vienna itself and to some extent, Austria, are among our strongest assets. The city's quality of life has improved greatly over the last two decades. You name it — top-class food or hotels, cultural diversity or shopping — Vienna has it. Austria's capital has become increasingly popular for conferences of all kinds. That is our unique advantage.

Once a client opts for Vienna, we offer him the best possible service and state-of-the-art technical facilities. The rooms and equipment are optimally harmonized with the size and nature of each event. But our biggest asset is the Austria Center Vienna team, which makes the impossible possible for every client. Planning, implementation and catering services are provided in-house by Eures, our official caterer.

How has Austria Center Vienna managed to attract so many conferences in the short span of six years?

We had only two years' lead time for customer acquisition before the opening in 1987, quite short in comparison to others. The first step was to set up a service-oriented team with a knack for organization and improvisation. Their focus is to represent Austria Center Vienna with professional competence and enthusiasm. In addition, Austria Center Vienna initiated aggressive, target-group-oriented marketing strategies.

In what directions is the Austria Center Vienna planning to move?

We are focusing our efforts on attracting specialized events, product presentations and exhibitions, all of which will play an increasingly important role in the congress business. Many conventions now feature an accompanying large-scale industrial exhibition, which helps to finance the overall program. We are trying to attract larger, international groups holding conferences over several days, as well as specialized fairs.

We are intensifying our sales and marketing activities, trying to keep our present client base while penetrating new market niches. In this context, Japan is particularly attractive to us as a future market for the acquisition of product launches by large corporations. Finally, we will work more closely with hotels, professional congress organizations, as well as the Vienna Tourist Board and other institutions.

What is your vision of the future?

We would like Vienna to overtake Paris and become the number-one conference destination in the world. Vienna should be known as a congress capital with flair and know-how. Our vision is for the name "Austria Center Vienna" to become indelibly linked with the city of Vienna as a convention site. At the same time, clients should automatically connect their image of a congress in Vienna with our venue. It is our challenge to attract larger conferences with a greater number of international participants.



Michael Auracher: "Our biggest asset is our team."

## Treasures Found Off the Tourist Track

Vienna is the kind of place to explore beyond the standard tourist group tours. Here are a few tips on how to experience some of the city's less-known riches:

**Vienna on Foot:** Certified guides lead 45 special one-to-two-hour walks, some conducted in foreign languages. Wander along the path of "The Third Man," follow the trail of the Romans, the Middle Age inhabitants, composers, coffeehouse fans or emperors.

**Theater Museum:** The largest historical theater exhibit in the world, with 1.5 million pieces in the collection.

**Special Exhibitions:** The Museum of Art is sponsoring a comprehensive exhibition on Flemish painting.

**"From Brueghel to Rubens":** At the Art Forum of Bank Austria is "Vienna Biedermeier Painting Between Vienna Congress and Revolution." There are 80 other art galleries with offerings ranging from traditional programs to experimental projects.

**Kunsthau Vienna:** Fantastical museum palace created by the painter and architect Friedrich Hundertwasser.

**Bernuda Triangle:** Bar, nightclub and hub of the city's youth scene.

**Neidhart Frescoes:** The oldest non-religious Viennese murals, from the 14th century, illustrating the poetry of the minstrel Neidhart von Reuental, discovered and restored 10 years ago.

**Dorotheum:** Unique auction house with daily sales of furniture, jewelry, carpets, art objects; of special interest to foreign buyers.

**Josephinum:** Museum of medical history and Austrian emperor's former personal wax-figure cabinet; contains 200-year-old

wax representations of the human body.

**Art and handicrafts sales:** In addition to Saturday's flea market, special art and handicraft displays on certain days in April and October.

**Clock Museum:** Two floors in the smallest of the inner city's palaces, an unusual collection of time-measuring instruments.

**"Am Steinhof" Church:** Art nouveau edifice with glass panes by Vienna's workshops; tours only, on Saturdays at 3 P.M.

## Magic Mixture on Offer in Vienna

What makes Vienna a magic place in which to hold a conference? It could be Sacher torte and Mozartian echoes, or the high-tech efficiency of the Austria Center Vienna. But the real answer lies in the quality of Vienna as a whole — a city whose enchantment defies words.

Statistics demonstrate Vienna's increasing popularity as a conference destination. In 1992, the Austrian capital hosted 211 international and 88 national congresses, as well as 397 company meetings, attracting over 117,000 participants. Conferences have become a major factor in the local economy, accounting for an estimated 340,000 overnight stays and \$200 million in revenues last year.

Statistics apart, the city is a place both to feel at home and do business in. Delegates have the chance to enjoy the hospitality of a gracious host while relying on the professionalism of Austria Center Vienna conference experts.

The memories they take away include Schönbrunn and Belvedere Palaces, the Lippizianer stallions, the Boys Choir, the waltzes at the Opera Ball, apple strudel, a stroll through the historic Old Quarter, a look at the Crown Jewels and a festive banquet at one of the city's splendid palaces.

But Vienna is also a bustling modern metropolis of 1.6 million inhabitants, a city of many faces. In addition to a

### The city's pervading spirit of conciliation helps conferences to run smoothly

rich cultural heritage, it has all the conveniences of a modern capital.

Vienna's 350 hotels range from five-star luxury hotels and international chains to pleasant mid-sized and budget-minded hotels. Its gastronomic delights span the spectrum of quaint coffeehouses, homely inns and taverns, and gourmet restaurants. Guests can take advantage of easy access to shopping facilities as well as trips to the Vienna Woods, the Danube River Valley, Salzburg, Budapest or Prague.

In addition to being one of Europe's cleanest urban areas, Vienna is ranked as one of the safest cities in the world. Moving conference delegates around the city can be done easily by means of fleets of coaches, limousines and taxis, or by using the well-organized public transit network of trains, buses and trams.

The communications infrastructure is highly developed, and Vienna is an easy place to get to. Highways extend right into the city. At Vienna International Airport, 53 airlines offer 1,000 regularly scheduled flights to 101 destinations weekly. The airport has invested millions to expand and modernize its facilities. Vienna is a hub of Europe's international railway network, and express and intercity lines connect the city with other European cities.

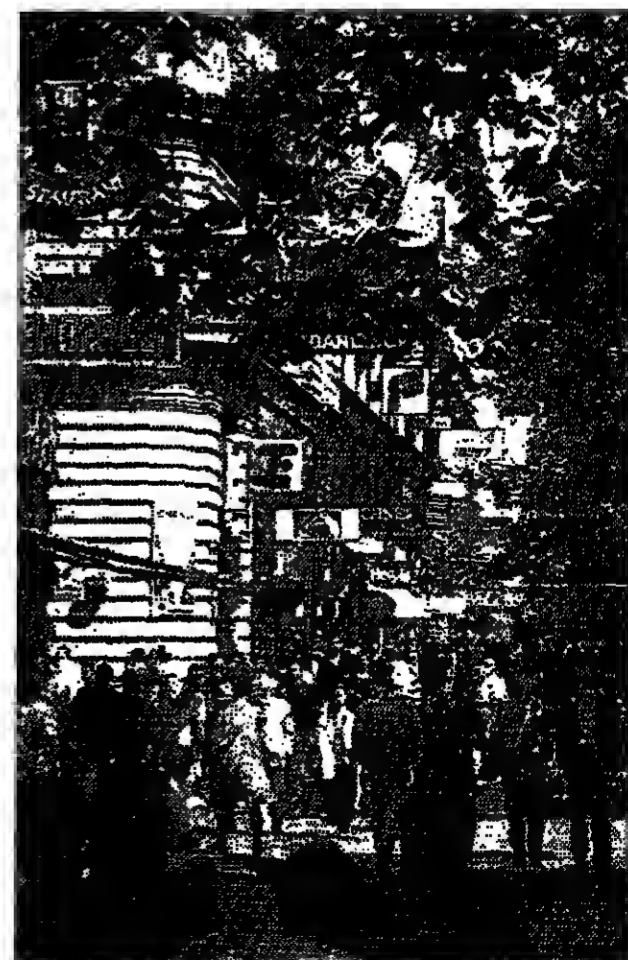
Another advantage is more indefinable: Vienna is pervaded by a spirit of conciliation and negotiation. This can make a difficult and tense conference more relaxed and agreement easier. As capital of a neutral Austria, Vienna has served as an arbiter of peace in hosting international summits. About 4,000 officials work in Vienna's International Center, which serves as one of the three United Nations headquarters worldwide and home to several U.N. organizations.

Austria is a thriving democracy, geographically located in the heart of Europe and playing an increasingly important role in a changing Europe. Bordering on eight nations, it has become a business and political channel between the European Community and the emerging countries of Eastern Europe.

The country has submitted a formal application for full membership in the European Community, which is expected to be accepted in 1994 or 1995. The EC Commission says Austria would be among its "most stable and economically strong members."

More than 1,000 firms now operate in Eastern Europe from Austria, with many using Vienna as their headquarters. Austria's historical connections, expertise and experience have put it in the forefront of foreign investment in Eastern Europe, accounting for 15 percent of all joint ventures, with the highest OECD export ratio to the region.

Austria's economic growth in 1991 and 1992 was higher than the average of the 24 OECD member states. The London-based European Economic Research Consortium predicts that the "Alpine Arc" region, which includes all of Austria, will experience the most dynamic growth in Europe in the years 1989-1996.

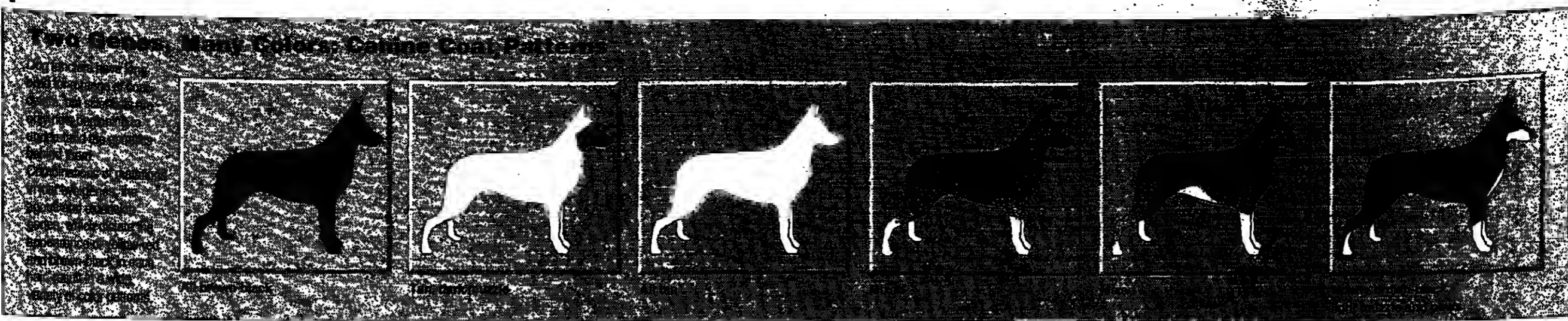


The lively shopping scene on Kärntnerstrasse, Vienna.

This advertising section was produced in its entirety by the supplements division of the International Herald Tribune's advertising department. It was written by Clifford Stevens, a free-lance journalist based in Vienna, and sponsored by the Austria Center Vienna.

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# HEALTH/SCIENCE



Source: "The Inheritance of Coat Color in Dogs," Little (Howell Book House)

The New York Times

## Nature's Multicolored Pelts: A Hair Closer to Understanding

By Natalie Angier  
New York Times Service

**P**ORTLAND, Oregon — Dr. Roger D. Cone, a molecular biologist at Oregon Health Sciences University in Portland, has a dog named Koda, a big, grizzled, lumbering, tail-thumper of a canine who is part German shepherd, part collie. Lots of people own dogs that look like Koda, but not many are likely to know the molecular nuances of why their pets bear the coat colors they do. And it is because his dog so perfectly embodies basic principles of mammalian pigmentation that Dr. Cone has brought the animal into the laboratory to serve as exhibit A.

"Koda has classic agouti fur," says Dr. Cone, pushing apart a patch of the creature's thick pelt so the individual hairs can be seen in detail. "Black at the base, a yellow stripe in the center and black at the tip — that's the archetypal agouti." As though in proud concurrence, Koda thracks her tail on the floor.

Many mammals, from rats in the field and cats in the forest to the South American rodents that gave the subtly striped pattern its name,

have a variation of agouti fur, probably because it is an excellent all-round camouflage pattern. Now, after years of intense research, scientists have discovered the biochemical basis behind the pigmentation. They also have figured out how genetic tinkering on the agouti theme have given rise to some outstanding mammal coat hues: the fiery hide of a chestnut horse, the gold of the golden retriever, the inky peltina that hides a black panther's leopard-like spots. The work may even explain why some human beings have hair that is true, blazing red, the sort of unmistakable carrot tatch that is passed down from one generation to the next.

How relevant the current studies are to human pigmentation must still be sorted out. Dr. Cone's lab is now exploring whether people with bright red hair have the same sort of mutation as the one seen in the receptor gene that causes ruddiness in red foxes and chestnut horses.

True red hair is a rarity, and in general the coloring of human noses and skin is more complex than what is seen in animal fur. Scientists suspect human skin pigmentation is controlled by at least six genes acting in concert, which is why when a black person mates with a

white person they do not have 50 percent white children and 50 percent black, but offspring with skin of soft cappuccino brown.

Scientists now believe that two peptides alternate as spurs to stimulate the production of pigments in the melanocytes, the cells that generate the color of the body's hair, eyes and skin. One peptide originates in the brain and induces the melanocytes to manufacture granules of black and brown pigments, while the other is released by the cells girdling the hair follicle and goads the melanocytes to make yellowish-red pigments. The peptides act in exquisite harmony and timing during the creation of a mammal's pelt, and variations in the behavior of the two, as well as in the responsiveness of the pigment-producing melanocytes to them, account for much of the diversity observed in animal coloring.

**A**NIMAL breeders have long been familiar with the basic pigment traits that could be mixed and matched to create appealing coats in their animals, but only within the last several months have scientists isolated the genes in charge of the key coloration pathways.

And while the answers to questions about what controls coat and hair color are fascinating in their own right, researchers say that the study of pigmentation also is important for what it reveals about other fundamental activities in the body. It turns out that many of the genes that determine the shades and patterns of an animal's coat also participate in other essential tasks of development, including guiding the cells of an embryo to their proper destination, somehow enabling an animal to hear, and perhaps dictating a mammal's tendency toward obesity, diabetes and cancer.

"There's a huge amount of biology being revealed by studying pigment mutations," said Dr. Brigid L. M. Hogan, a developmental biologist at Vanderbilt University in Nashville, Tennessee. "Many genetic mutations that affect development end up leaving their mark on a mouse's fur."

Some scientists have embraced the pigmentation field as a way of addressing problems in how the brain communicates with the endocrine system, and of what happens when a potent hormone latches onto its designated receptor protein on the surface of a cell. Scientists lately have learned that the same large precursor molecule

that gives rise to the peptide that stimulates the production of dark pigments also yields a host of other highly active peptides, from steroid hormones to the endorphins that act as the body's native opiates. Thus, by understanding the pigmentation pathways, researchers may gain insight into such diverse biochemical events as painkilling and sexual development.

**A**NUMBER of genetic mutations that were first detected by determining how they altered a mouse's coat color or have since been identified as the cause of rare human hereditary disorders. For example, in the late 1980s scientists isolated two genes from mice, called the steel and the kit genes, that when mutated radically change coat color. In the case of the steel gene, a mutation will result in mice with a coat the shade of steely pearl, or with triangular or belt-shaped patches of white on a dark background. The rodents also are deaf, sterile and anemic.

Similar genetic mutations are now thought to cause a human disorder called piebaldism. Patients with the rare hereditary syndrome are deaf and sometimes sterile, and patches of their skin or hair are completely white, often in the same

spots and shapes as those seen on the rodents. Scientists recently have learned that the steel and kit genes are critical players early in embryonic growth, each generating a protein needed for the proper migration of three classes of cells: the precursors of what will become the melanocytes, the red blood cells and the constituents of the sex organs. The proteins serve as both usher and stimulant, prodding the cells toward their destinations and encouraging their rapid proliferation as they travel.

Without robust versions of both proteins, an insufficient number of cells make it to their final positions, resulting in defective pigmentation and infertility. And because the melanocytes also seem necessary for the growth of the inner ear, victims of either genetic defect end up deaf, as well. Piebald patients, however, do not seem to suffer from the anemia seen in the mice, for reasons that remain unclear.

"Here we've gotten insights into the molecular basis of how the blood system forms" and other fundamental puzzles, said Dr. Alan Bernstein, a molecular biologist at the Samuel Lunenfeld Research Institute at Mount Sinai Hospital in Toronto. "And all from studying a laboratory mouse with a mutant coat."

## Cold Fusion: It's Back New Paper Doesn't End Skepticism

By Barry James  
International Herald Tribune

**P**ARIS — The Cold Fusion debate came in from the cold this week with the publication of a paper by the discoverers of the process, Martin Fleischmann and Stanley Pons.

Although they make no specific claims about a possible table-top nuclear reaction, the two researchers have laid out the formulae and procedures by which they have consistently achieved what they call "high rates of specific excess enthalpy generation" — that is, getting more energy out than goes in.

Enthalpy is the sum of the internal energy of a system plus the product of the system's volume multiplied by the pressure exerted on the system by its surroundings. It is also known as heat content or total heat.

Max Costa, the director of the laboratory of Interfacial Electrochemistry in Paris said the new paper meets scientific criteria and makes it hard to dismiss the work of Dr. Fleischmann and Dr. Pons, which has been the subject of one of the most heated scientific debates of recent years.

The paper was published in Physics Letters A, a review written in dense scientific language and formulae for a specialized readership of researchers. Dr. Costa said the review only publishes articles of high scientific quality that have been reviewed by at least two independent observers.

Dr. Pons is a former professor of chemistry at the University of Utah and Dr. Fleischmann is a member of the physics department of the University of Southampton in England. They are continuing their research at a private Japanese-financed laboratory in the Sophia Antipolis science park in southern France.

The scientists turned the world of physics on its head four years ago when they announced that they had achieved nuclear fusion at room temperature, and for the first time had produced more energy through fusion than it took to run their experiment.

The apparatus of Dr. Pons and Dr. Fleischmann consisted essentially of a jar filled with heavy water — water in which ordinary hydrogen is replaced by its heavier isotope deuterium — and electrodes, including a palladium cathode.

They said that when an electric current was passed

between the electrodes, the deuterium atoms became packed so tightly into the lattice-like structure of the palladium that the mutual repulsion among the atoms was overcome and their nuclei fused, creating large outputs of energy.

The theory held out a vision of a limitless supply of safe, clean energy. But most scientists doubted that fusion could take place outside a nuclear reactor, and dismissed the theory of room-temperature nuclear reaction as cranky. Hundreds of experimenters around the world attempted to replicate the experiment, without success. Some noted significant gains in energy but attributed this to a chemical reaction. In some experiments, scientists were baffled by sudden eruptions of heat in an electrolytic cell after the cell had lain dormant for days or weeks.

After the initial euphoria and the subsequent backlash of skepticism, Dr. Pons and Dr. Fleischmann kept a low profile, avoiding the press and quietly continuing with their research in southern France.

While keeping many details of their procedure a secret, Dr. Pons and Dr. Fleischmann said in their latest paper that significant gains are not caused by a chemical process.

"There is a source of enthalpy in the cells whose strength increases with time," they wrote. "At a more quantitative level one sees that the magnitudes of these sources are such that explanations in terms of chemical changes must be excluded."

Dr. Costa said with the publication of their latest paper, Dr. Pons and Dr. Fleischmann have met the basic criterion of scientific seriousness: that of demonstrating that their experiment is capable of being replicated. The authors acknowledge that their results have varied depending on the material employed. But they added that "across production batches of materials that exhibit excess enthalpy generation, all samples in these batches behave similarly."

Providing that satisfactory materials are used, they added, "the reproducibility of the experiments is high." They said they have achieved high levels of excess energy on hundreds of occasions. They said they consistently achieved a 400 percent gain in energy.

The skepticism remains, but physicists seem more willing to accept that Dr. Fleischmann and Dr. Pons have achieved physical results that for the moment are beyond explanation.

**U.S. researchers say they consistently get a 400 percent energy gain.**

### IN BRIEF

#### How Yellow Algae Make Green Icebergs

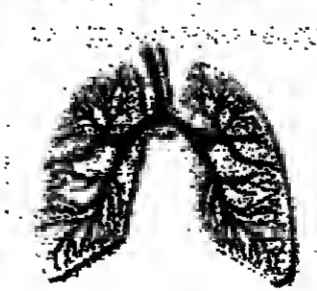
**NEW YORK (NYT)** — For many years, ship captains navigating the waters of Antarctica have been intrigued by rare sightings of emerald icebergs. Now a study shows that these icebergs are turned upside down, said Dr. Stephen Warren.

The icebergs are blocks of ice that have broken off huge slabs of frozen snow called ice shelves. Their green appearance results from sea water that has frozen and adhered to the bottom of the fresh-water ice shelf over hundreds of years, Dr. Warren, of the University of Washington, and his colleagues reported in The Journal of Geophysical Research.

Dr. Warren said the frozen sea water contained dissolved organic matter, like algae and plankton, giving a yellow tone to the bottom part of the fresh-water ice shelf, which itself has a blue tint. Since the fresh-water shelf is very thick, the yellow underside cannot be seen unless an iceberg breaks off the ice shelf and capsizes. When one of these icebergs turns upside down, bringing the frozen yellow-tinted sea water to the top, the iceberg appears green through the usual mix of the yellow with the blue from below.

United States. And worried officials of the National Institutes of Health attribute the trend in part to the lack of education and training of the primary-care doctors who treat the overwhelming majority of asthmatics.

Dr. Michael A. Kaliner, chief of the allergy section at the National Institute of Allergy and Infectious Diseases, criticized the medical



care that most asthmatics receive and the lack of understanding by many doctors about new treatments for the disease. "No asthmatic should die, and if properly treated very, very few asthmatics would die," Dr. Kaliner said.

The American Medical Association and U. S. health officials describe asthma as the only chronic disease, except for AIDS and tuberculosis, that is on the rise throughout the world. Deaths from asthma have increased to nearly 5,000 a year in the United States. Allergy is the most common underlying cause of asthma. But, Dr. Kaliner said, only half the medical

schools in the United States have an allergist on staff and most doctors are taught little about the diagnosis and treatment of allergies.

#### Exercise Drains Iron: Stock Up, Athletes

**WASHINGTON (WP)** — Athletes may need to stock up on extra iron in their diets, according to recent studies that show that exercise appears to deplete the body of the essential mineral.

Nearly two dozen studies involving roughly 3,500 athletes link exercise with a loss of iron as measured by diminishing hemoglobin levels. Hemoglobin is pigment in red blood cells that is responsible for carrying oxygen through the blood.

#### For Pre-Eclampsia, A Genetic Link

**WASHINGTON (WP)** — A team of researchers has found the first genetic link for pre-eclampsia, a high-blood-pressure condition that strikes about 10 percent of first-time expectant mothers.

Reporting in Nature Genetics, Jean-Marc Lalouel of the Howard Hughes Medical Institute and Kenneth Ward of the University of Utah's Eccles Institute of Human Genetics said they have found an altered version of the gene that produces a protein — angiotensinogen — involved in regulating blood volume and vascular tone. In the study, 92 percent of the women with pre-eclampsia had the altered gene.

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Belgium 079-11-10-12	Dominican Republic 1-800-751-6624	Hungary 001-800-0141	Luxembourg 0800-012	Sweden 070-755-922
Bolivia 01-800-2222	Ecuador 170	India 000-127	Mexico 19-00-19	Switzerland 155-0222
Brazil 000-8012	Egypt 355-5770	Ireland 1-800-551-001	Netherlands 06-022-91-22	Turkey 99-800-1177
Chile 001-0316	Finland 9800-102-80	Israel 177-150-2727	Norway 050-12912	United Kingdom 0800-89-0222
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JALISCO 150

# NYSE

Wednesday's Closing  
Tables include the high and low prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

12 Month High Low Stock Div Yld PE High Low Last Close

12 Month High	12 Month Low	Stock	Div	Yld	PE	High	Low	Last Close
100	90	IBM	1.50	3.5	15	100	90	95
120	110	Microsoft	0.00	0.0	15	120	110	115
150	140	Intel	0.00	0.0	15	150	140	145
180	170	Oracle	0.00	0.0	15	180	170	175
200	190	Sun	0.00	0.0	15	200	190	195
250	240	HP	0.00	0.0	15	250	240	245
300	290	Motorola	0.00	0.0	15	300	290	295
350	340	Rockwell	0.00	0.0	15	350	340	345
400	390	Boeing	0.00	0.0	15	400	390	395
450	440	Lockheed	0.00	0.0	15	450	440	445
500	490	General Electric	0.00	0.0	15	500	490	495
550	540	Westinghouse	0.00	0.0	15	550	540	545
600	590	Johnson & Johnson	0.00	0.0	15	600	590	595
650	640	Pfizer	0.00	0.0	15	650	640	645
700	690	Merck	0.00	0.0	15	700	690	695
750	740	Novartis	0.00	0.0	15	750	740	745
800	790	Roche	0.00	0.0	15	800	790	795
850	840	Novo Nordisk	0.00	0.0	15	850	840	845
900	890	Novartis	0.00	0.0	15	900	890	895
950	940	Novartis	0.00	0.0	15	950	940	945
1000	990	Novartis	0.00	0.0	15	1000	990	995

## Investors Cheer Philips After Unexpected Profit

*The Associated Press*

EINDHOVEN, Netherlands — Philips Electronics NV surprised analysts Wednesday by reporting a first-quarter net profit of 103 million guilders (\$58.3 million), down 36 percent from last year.

Analysts had predicted losses of up to 100 million guilders for Europe's largest consumer-electronics concern. The price of Philips shares jumped 7 percent, to close at 27.30 guilders on the Amsterdam stock exchange.

The company said that the continuing recession in its main European markets caused first-quarter earnings to fall from last year's figure of 162 million guilders.

Sales fell to 13.75 billion guilders from 14.06 billion guilders.

Philips did not give earnings expectations for all of 1993, but warned there were no signs of improvement in the recession. "In Europe we are seeing no relief at all," said the financial director, Dudley Eustace.

On an per-share basis, net profit fell 37 percent to 33 cents, from 53.

The company said average prices in the consumer-electronics sector fell 2 percent in the first quarter.

The biggest profit deterioration was in the professional products and systems division, which registered a 9 million guilder operating

loss, after a 128 million guilder profit a year ago. That decline was partly offset by a 67 percent rise in operating income in the components and semiconductors group, to 216 million guilders, on sales of 1.67 billion guilders.

### BAT Profit Climbs 40%

BAT Industries PLC, the tobacco and insurance giant, on Wednesday announced a 40 percent jump in first-quarter pretax profit, to £260 million (\$409 million), and said it planned a flexible response to price cuts from Philip Morris, its U.S. tobacco rival. Reuters reported from London.

Recovery at Eagle Star Insurance, a strong performer from Farmers insurance in California and a £46 million currency gain offset some weakening in tobacco operations in the three months ended March 31.

Destocking in the United States, a sharp downturn in Germany because of smuggling and \$10 million of relocation costs cut tobacco profits to £220 million from £227 million, a drop that BAT said would be short-lived.

The company is currently pursuing 22 new possible tobacco ventures around the world, with deals closest in Russia and Vietnam — plus the former Soviet republic of Moldova, where it has just signed a letter of intent to start production.

12 Month High	12 Month Low	Stock	Div	Yld	PE	High	Low	Last Close
100	90	IBM	1.50	3.5	15	100	90	95
120	110	Microsoft	0.00	0.0	15	120	110	115
150	140	Intel	0.00	0.0	15	150	140	145
180	170	Oracle	0.00	0.0	15	180	170	175
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120	110	Microsoft	0.00	0.0	15	120	110	115
150	140	Intel	0.00	0.0	15	150	140	145
180	170	Oracle	0.00	0.0	15	180	170	175
200	190	Sun	0.00	0.0	15	200	190	195
250	240	HP	0.00	0.0	15	250	240	245
300	290	Motorola	0.00	0.0	15	300	290	295
350	340	Rockwell	0.00	0.0	15	350	340	345
400	390	Boeing	0.00	0.0	15	400	390	395
450	440	Lockheed	0.00	0.0	15	450	440	445
500	490	General Electric	0.00	0.0	15	500	490	495
550	540	Westinghouse	0.00	0.0	15	550	540	545
600	590	Johnson & Johnson	0.00	0.0	15	600	590	595
650	640	Pfizer	0.00	0.0	15	650	640	645
700	690	Merck	0.00	0.0	15	700	690	695
750	740	Novartis	0.00	0.0	15	750	740	745
800	790	Roche	0.00	0.0	15	800	790	795
850	840	Novo Nordisk	0.00	0.0	15	850	840	845
900	890	Novartis	0.00	0.0	15	900	890	895
950	940	Novartis	0.00	0.0	15	950	940	945
1000	990	Novartis	0.00	0.0	15	1000	990	995

12 Month High	12 Month Low	Stock	Div	Yld	PE	High	Low	Last Close
100	90	IBM	1.50	3.5	15	100	90	95
120	110	Microsoft	0.00	0.0	15	120	110	115
150	140	Intel	0.00	0.0	15	150	140	145
180	170	Oracle	0.00	0.0	15	180	170	175
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650	640	Pfizer	0.00	0.0	15	650	640	645
700	690	Merck	0.00	0.0	15	700	690	695
750	740	Novartis	0.00	0.0	15	750	740	745
800	790	Roche	0.00	0.0	15	800	790	795
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NYSE

Wednesday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect after-hours trading. Via The Associated Press

(Continued)

Table with columns: 12 Month High/Low, Div, Yld PE, High/Low, Last Sale, Change. Includes various stock symbols and prices.

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Table with columns: 12 Month High/Low, Div, Yld PE, High/Low, Last Sale, Change. Includes various stock symbols and prices.

NYSE High-Lows
NEW HIGHS 21
NEW LOWS 4

NYSE High-Lows
NEW HIGHS 21
NEW LOWS 23

Table with columns: 12 Month High/Low, Div, Yld PE, High/Low, Last Sale, Change. Includes various stock symbols and prices.

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NEW HIGHS 21
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NEW HIGHS 21
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NYSE High-Lows
NEW HIGHS 21
NEW LOWS 23

INTERNATIONAL FUNDS

Quotations supplied by funds listed. Not asset value quotations are supplied by the funds listed with the receipt of some quotes based on issue prices.

The marginal symbols indicate frequency of quotations supplied: (D) - daily; (W) - weekly; (B) - bi-monthly; (M) - monthly; (T) - tri-weekly; (B) - bi-monthly.

Large table of international fund listings with columns for fund name, ticker, and price. Includes sections for various regions and fund types.

INTERNATIONAL FUNDS

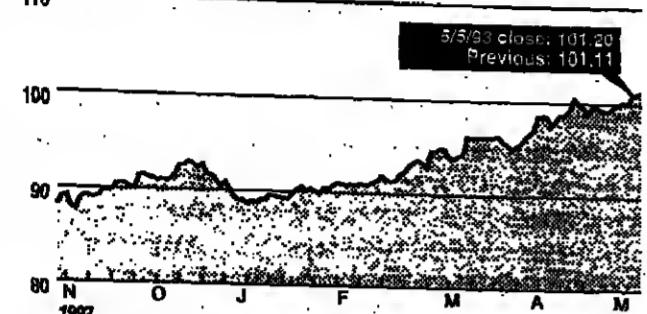
Large table of international fund listings with columns for fund name, ticker, and price. Includes sections for various regions and fund types.

Advertisement for 'Support Policies' featuring a large image of a person and text promoting financial services.

Advertisement for 'CURRENCY &...' featuring a large image of a person and text promoting financial services.

## THE TRIB INDEX 101.20

International Herald Tribune World Stock Index, composed of 230 internationally investible stocks from 20 countries, compiled by Bloomberg Business News, Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the top 10 stocks are tracked.

Region	Approx. weighting	Close	Prev.	% Change
Asia/Pacific	25%	112.35	112.25	+0.09
Europe	40%	98.59	98.83	-0.24
N. America	35%	94.21	93.84	+0.37

Industrial Sectors	Net. close	Prev. close	% change
Energy	101.44	101.67	-0.23
Utilities	112.18	112.57	-0.36
Finance	102.86	102.81	+0.05
Services	110.03	110.12	-0.08
Capital Goods	102.13	101.35	+0.77
Raw Materials	103.36	103.08	+0.27
Consumer Goods	89.51	89.40	+0.12
Miscellaneous	102.87	102.88	-0.01

For readers desiring more information about the International Herald Tribune World Stock Index, a booklet is available free of charge by writing to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

## EC Warns Klöckner On Cuts

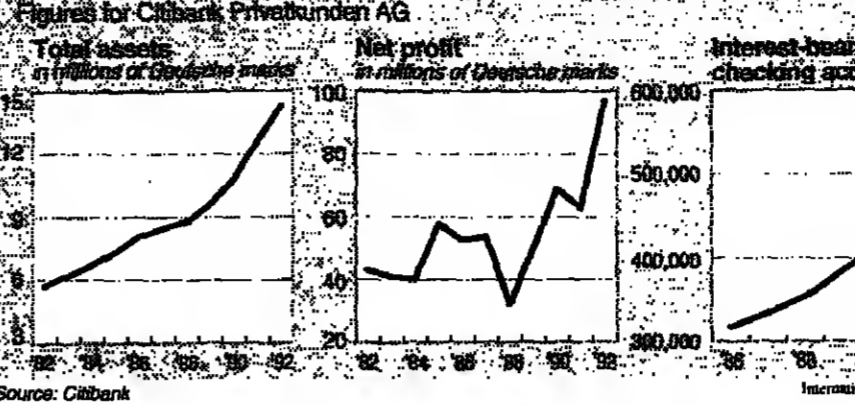
BRUSSELS — The EC Commission told the teetering German steel giant Klöckner Werke AG on Wednesday it had to cut production if it wanted backing for a debt-repayment plan that would pull it back from the brink of bankruptcy. Klöckner, which makes about one-tenth of German steel, needs backing from the commission to

East German metalworkers will expand their strike. Page 15.

close a deal with its creditors, which would allow it to pay back only part of debts totaling 2.7 billion Deutsche marks (\$1.7 billion). The commission's demand drags Klöckner to the center of a debate over which countries and companies must shed jobs and cut production to revive an industry suffering from serious overcapacity across the Community.

The commission agreed that Klöckner could forgo 40 percent of a loan of 185 million DM, which the company got from European Coal and Steel Community funds. But it said approval, probably next week, depended on an offer of capacity cuts. "We want something more concrete and convincing," said a Commission spokesman. The commission spokesman said the deadline in Germany for settlement of the total debt-restructuring package was May 14.

## Citibank: A Growing German Retail Presence



## Citibank Plugs Into Germany Mechanized Services Click With Consumers

By Brandon Mitchener  
International Herald Tribune

FRANKFURT — Germany is a country heavy with everyday hassles. From shops and offices that never seem to be open to phones at major institutions that ring for hours without being answered.

Indeed, as much as Germany is famous for its industrial products it is also noted for inefficiency and unfriendliness when it comes to providing basic services. But most Germans have learned to live with that. It therefore caught the German banking world by surprise when Citibank Privatkunden AG, the local retail-banking unit of Citicorp, met immediate success by improving things with American-style self-service. Innovative electronic and telephone banking services introduced over the last year have empowered many a formerly frustrated German bank customer and left other banks scrambling to catch up. Citibank offers fewer products than other German banks but makes them available when and where customers want, catering to an increasingly mobile clientele. "The idea is super," said Gigi Kramer, a 31-year-old housewife with two children who uses the bank's

telephone service five times a month, mostly to dictate transfer orders. "Everything else is so far away that this is the only practical way to bank," said Mrs. Kramer, who lives in Orsenberg, a small village not far from Frankfurt that has no bank.

Bigger German banks have been slow to respond. Bayerische Vereinsbank AG, Germany's fourth-biggest bank, recently introduced a telephone-banking option for customers of its Bavarian branches. Deutsche Bank AG, Germany's biggest bank, began installing advanced automated tellers last year. Commerzbank AG is currently testing 10 multifunction banking terminals. Citibank Privatkunden is Germany's oldest and largest retail bank, but was known as KKB Bank until last year. Citibank bought KKB Bank in 1973. Heinz von der Ruhr, a Citibank board member, said the bank sees itself as an agile "infant terrible" in a market dominated by larger, slower-moving banks. "The German banks haven't really come under pressure from a products point of view," said Hans-Georg Engel, president of the Association of Foreign Banks in Germany, explaining why an outsider made the first

See CITIBANK, Page 15

## Italy Dealt Blow As Moody's Cuts Debt Rating

ROME — Italy's new coalition government, facing a parliamentary debate on its legislative program, took a slap in the face on Wednesday when Moody's Investors Service Inc. lowered the country's foreign-currency debt rating.

The downgrade of \$62.5 billion of debt was announced in New York on the eve of a debate in which Prime Minister Carlo Azeglio Ciampi — a former governor of the Bank of Italy — plans to unveil his program to parliament in a confidence vote.

The rating was lowered to single A1 from Aa3, putting the debt below investment grade for some international pension funds, which could force them to sell their holdings. The news sent Italian government bond prices down by a point and the lira tumbling on European markets, although both recovered later in the day.

It was the third time that Moody's had downgraded Italy's creditworthiness in under two years, pushing up the cost of foreign loans for Italian borrowers. Italy, whose debt rating is now on a par with that of South Korea and Portugal, is the only member of the Group of Seven industrial nations not to hold the top, Aaa rating. Italy is rated AA by Standard & Poor's Corp., that agency's second-highest rating category. Sources at the prime minister's office expressed regret over the move, saying it took no account of improved prospects and concentrated on the problems of the past. But in explaining the downgrade, Moody's said there was uncertainty about whether future governments could maintain deficit-cutting measures introduced last year under former Prime Minister Giuliano Amato. As a result of the downgrade, the long-term foreign-currency debt and deposit ratings of Istituto Bancario San Paolo di Torino, Credipol, Banca Nazionale del Lavoro, Banca Commerciale Italiana, Credito Italiano and several other large banks were all cut to A1. Moody's also downgraded the ratings of lira-denominated Eurobonds of the state electric utility ENEL to A1. Moody's did note, however, that Italy's last government "undertook a number of measures to try to improve government finances" and that the new government "is also committed to controlling the bloated public-sector deficit. However, even if these efforts are successful, the public debt-stock ratio, gross domestic product ratio will continue to rise for several years," it said. (Reuters, Knight-Ridder)

## INTERNATIONAL MANAGER

### At Last, Data to Support 'Family-Friendly' Policies

By Barbara Presley Noble  
New York Times Service

NEW YORK — It is gospel among advocates of so-called family-friendly or family-supportive corporate policies that helping employees helps the bottom line. But gospel doesn't crunch as well as numbers, and the unscientific, hazy-eyed financial types who prowled the balance sheets in these lean times tend to be non-believers.

Now, however, researchers are beginning to accumulate the hard evidence that advocates need to make their case. According to two studies reported last week, companies that make it easier for employees to juggle their work and family responsibilities actually do benefit — from greater loyalty, increased job satisfaction and lower turnover.

The claims that had been made for this approach "always made us nervous because they used an untested hypothesis," said Ellen Galinsky, co-president of the Families and Work Institute, the New York-based research group that conducted one of the studies. "We knew lots of studies that showed the cost of not providing programs. Finally we have two studies that begin to address the benefits," she told an audience of human resources executives at the annual family and work conference held by the Conference Board.

The studies were in essence evaluations of work-family programs at Johnson & Johnson, the consumer- and pharmaceutical-products giant, and Fel-Pro Inc., a medium-sized maker of automotive sealing products. J&J and Fel-Pro both offer an extensive menu of family programs including on-site child care.

The Families and Work Institute found that four years after Johnson & Johnson's program began, 38 percent of employees who responded to the survey said they "strongly agreed" that they felt more comfortable raising personal issues at work. That was up from 18 percent in 1990, when the baseline evaluation was done.

Nearly three-quarters of employees said the policies were "very important" in decisions they made to stay with the company. Neither study found evidence to support a fear common among managers: that employees will exploit or abuse such programs. At J&J, said Chris Kjeldsen, a vice president of the company, there was no increase in absenteeism or tardiness or decrease in productivity.

In both studies, employees who used and liked family programs the most were the highest performers, the least inclined to leave the company and the least likely to have disciplinary problems.

## U.S. Importers in Japan Use Rising Yen for Profit Windfall

By Andrew Pollack  
New York Times Service

TOKYO — For all their complaints about how hard it is to do business in Japan, American manufacturers of cars, computers and chips are not trying to increase sales by cutting prices here after the 10 percent surge in the yen against the dollar.

That could mean that the yen's appreciation, while making Japanese goods more costly in America, will not be as effective as Washington hopes in building up American imports to Japan and shrinking the U.S. trade deficit.

At a time when the U.S. government is trying to take a tough stance to increase sales of American goods in Japan, the pricing policies could leave American companies vulnerable to charges they are not doing enough to help themselves but instead are milking profits from Japan by preferring high prices over market share.

"Unfortunately at present we don't have any examples of the lowering of prices by U.S. companies," said Sadanobu Taguchi, deputy director of the price policy division at the Ministry of International Trade and Industry. "This is a chance for U.S. companies to get a large share in the Japanese market if they change their prices."

Americans say there are valid business reasons for not lowering prices. They say distributing goods in Japan is costly. Some who manufacture in Japan say the currency difference is irrelevant and others say that merely cutting prices is no guarantee sales will improve.

"I think, Washington economists should be criticized for not understanding how American products sell here," said John Stern, the representative in Japan of the American Electronics Association. "I think Washington should stop assuming that exchange rates are a panacea for a trade deficit."

Some Japanese executives said the profit motive was the main reason for the failure to cut prices. "Our past experience shows that almost all foreign companies, more or less, want to take in the extra profit from the high yen for themselves," said Takeshi Yoda, deputy head of international business at Meidai-ya, a supermarket chain. Many economists say weakening the dollar versus the yen will lead to a decline in the U.S. trade deficit with Japan, over time. That is what happened in

years after the so-called Plaza Accord of 1985, which sharply raised the value of the yen. But Japanese industry seemed to adjust to the higher yen. Japan's trade surplus with the world, which exceeded \$130 billion last year, is now higher than it was before the 1985 agreement reached at the Plaza Hotel in New York among Japan, the United States, Britain, France and Germany.

But in the short run, the higher yen is likely to lead to an increase in Japan's trade surplus, at least when measured in dollars. That is because it takes time for buyers to switch from expensive Japanese products to cheaper foreign ones. In the meantime, the strong yen

See YEN, Page 17

## U.S. Urges ADB To Be Thriftier

By Kevin Murphy  
International Herald Tribune

MANILA — The United States, unable to provide its vision for the Asian Development Bank or commit extra funds to boost lending programs, instead urged ADB officials Wednesday to deliver more bank for its bucks.

While some Asian delegates to the 53-nation gathering said the United States was out of sync with regional aspirations, many donor countries echoed Washington's call to subject the ADB's operations and policy objectives to closer, independent scrutiny.

"We would like to see more emphasis on achieving a high development return on the portfolio and less on expanding it," said Jeffrey Shafer, an assistant Treasury secretary designate, who left the ADB meeting early because he was due in Washington for Senate confirmation hearing.

The United States has been under pressure from other donor nations and borrowers here at the bank's 26th annual meeting to indicate whether it supported a Japanese-backed call to double the bank's authorized capital to \$46.4 billion.

"The bank must be thrifty," Mr. Shafer said in a speech. "It need not — and it cannot — go on rapidly increasing its lending year by year."

However, a U.S. official later refused to confirm that Washington would not support a general capital increase, which is due before the end of 1994 if the bank is to maintain its current lending program. "No doors are closed," said the official, who was unable to explain how the administration's plans for the ADB differed from those of its predecessor.

The uncertainty did not surprise other delegates. "In fairness to the Americans, their team is new to this," said one Asian delegate. "But we would have liked to see a higher-level delegation here, even if they didn't have a firm position."

Many observers had hoped the United States would foreshadow its future stance on multilateral development-lending agencies at the Manila meeting. Washington outlined no firm future agenda, but it did indicate that it would demand stricter environmental guidelines in future lending and a higher regard for democracy and poverty reduction in its programs.

"There is a greater environmental awareness in Asia among developed and developing countries, so the U.S. emphasis on this point is in step with the region," said Ramon del Rosario Jr., finance secretary of the Philippines. "However, an American position that would

See ADB, Page 17

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## CURRENCY & INTEREST RATES

Cross Rates									
	\$	£	D.M.	F.F.	Lira	Yen	S. Kor.	Yen	Ch. Franc
American dollar	1.00	0.75	1.93	1.66	2.00	163.63	200.48	163.63	200.48
British pound	1.33	1.00	2.54	2.16	2.70	216.36	270.45	216.36	270.45
French franc	0.65	0.49	1.00	0.85	0.93	75.64	93.77	75.64	93.77
German DM	0.52	0.39	1.00	0.83	0.91	74.56	91.27	74.56	91.27
Italian Lira	2.00	1.50	1.07	1.00	1.00	166.67	200.00	166.67	200.00
Japanese Yen	0.006	0.004	0.007	0.006	0.006	100.00	123.69	100.00	123.69
South Korea	0.005	0.003	0.005	0.004	0.004	50.00	100.00	50.00	100.00
Swiss Franc	1.46	1.10	1.00	0.85	0.93	136.93	166.67	136.93	166.67
Yen	163.63	123.69	163.63	123.69	163.63	100.00	100.00	163.63	123.69
Ch. Franc	200.48	123.69	200.48	123.69	200.48	123.69	100.00	200.48	123.69

Eurocurrency Deposits									
	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU		
1 month	3 1/4	7 1/4-7 3/4	5 1/4-5 1/2	5 1/4-5 1/2	7 1/4-7 1/2	3 1/4-3 1/2	8 1/4-8 1/2		
3 months	3 1/4-3 1/2	7 1/4-7 3/4	4 1/4-4 1/2	4 1/4-4 1/2	7 1/4-7 1/2	3 1/4-3 1/2	7 1/4-7 1/2		
6 months	3 1/4-3 1/2	7 1/4-7 3/4	4 1/4-4 1/2	4 1/4-4 1/2	7 1/4-7 1/2	3 1/4-3 1/2	7 1/4-7 1/2		
1 year	3 1/4-3 1/2	7 1/4-7 3/4	4 1/4-4 1/2	4 1/4-4 1/2	7 1/4-7 1/2	3 1/4-3 1/2	7 1/4-7 1/2		

Key Money Rates									
	United States	Close Prev.	Britain	Close Prev.					
Discount rate	2.00	2.00	Bank base rate	6.00	6.00				
Federal funds	4.00	4.00	Call money	5 1/2	5 1/2				
3-month T-bill	2 1/2	2 1/2	1-month interbank	7 1/2	7 1/2				
6-month T-bill	2 1/2	2 1/2	3-month interbank	6 1/2	6 1/2				
9-month T-bill	2 1/2	2 1/2	6-month interbank	6 1/2	6 1/2				
1-year T-bill	2 1/2	2 1/2	18-month GAT	8 1/2	8 1/2				
3-year Treasury note	5 1/2	5 1/2	Interest rate	8 1/2	8 1/2				
5-year Treasury note	5 1/2	5 1/2	Call money	5 1/2	5 1/2				
7-year Treasury note	5 1/2	5 1/2	1-month interbank	7 1/2	7 1/2				
9-year Treasury note	5 1/2	5 1/2	3-month interbank	7 1/2	7 1/2				
10-year Treasury note	5 1/2	5 1/2	6-month interbank	7 1/2	7 1/2				
15-year Treasury note	5 1/2	5 1/2	18-month GAT	8 1/2	8 1/2				
30-year Treasury note	5 1/2	5 1/2	Prime	—	—				
10-year Government bond	5 1/2	5 1/2	10-year Treasury note	5 1/2	5 1/2				
15-year Government bond	5 1/2	5 1/2	30-year Treasury note	5 1/2	5 1/2				
30-year Government bond	5 1/2	5 1/2	10-year Government bond	5 1/2	5 1/2				
Call money	5 1/2	5 1/2	15-year Government bond	5 1/2	5 1/2				
1-month interbank	7 1/2	7 1/2	20-year Government bond	5 1/2	5 1/2				
3-month interbank	6 1/2	6 1/2	25-year Government bond	5 1/2	5 1/2				
6-month interbank	6 1/2	6 1/2	30-year Government bond	5 1/2	5 1/2				
18-month GAT	8 1/2	8 1/2	Call money	5 1/2	5 1/2				
Prime	—	—	1-month interbank	7 1/2	7 1/2				
10-year Treasury note	5 1/2	5 1/2	3-month interbank	7 1/2	7 1/2				
30-year Treasury note	5 1/2	5 1/2	6-month interbank	7 1/2	7 1/2				
10-year Government bond	5 1/2	5 1/2	18-month GAT	8 1/2	8 1/2				
15-year Government bond	5 1/2	5 1/2	Prime	—	—				
20-year Government bond	5 1/2	5 1/2	10-year Treasury note	5 1/2	5 1/2				
25-year Government bond	5 1/2	5 1/2	30-year Treasury note	5 1/2	5 1/2				
30-year Government bond	5 1/2	5 1/2	10-year Government bond	5 1/2	5 1/2				
Call money	5 1/2	5 1/2	15-year Government bond	5 1/2	5 1/2				
1-month interbank	7 1/2	7 1/2	20-year Government bond	5 1/2	5 1/2				
3-month interbank	6 1/2	6 1/2	25-year Government bond	5 1/2	5 1/2				
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18-month GAT	8 1/2	8 1/2	Call money	5 1/2	5 1/2				
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10-year Government bond	5 1/2	5 1/2	18-month GAT	8 1/2	8 1/2				
15-year Government bond	5 1/2	5 1/2	Prime	—	—				
20-year Government bond	5 1/2	5 1/2	10-year Treasury note	5 1/2	5 1/2				
25-year Government bond	5 1/2	5 1/2	30-year Treasury note	5 1/2	5 1/2				
30-year Government bond	5 1/2	5 1/2	10-year Government bond	5 1/2	5 1/2				

Other Dollar Values									
Currency	Per \$	Per 5	Currency	Per \$	Currency	Per \$			
Australian	1.4923	7.4615	Canadian dollar	0.7106	Japanese yen	163.63			
British pound	0.75	3.75	Deutsche mark	0.52	Swiss franc	1.46			
French franc	0.65	3.25	Italian lira	2.00	Yen	163.63			
German DM	0.52	2.60	Yen	163.63	Ch. Franc	200.48			
Italian Lira	2.00	10.00	Ch. Franc	200.48	Yen	163.63			
Japanese Yen	163.63	818.15	Yen	163.63	Ch. Franc	200.48			
Swiss Franc	1.46	7.30	Ch. Franc	200.48	Yen	163.63			
Yen	163.63	818.15	Yen	163.63	Ch. Franc	200.48			
Ch. Franc	200.48	1002.40	Yen	163.63	Ch. Franc	200.48			

MARKET DIARY

OTC Stocks Rally As Dow Edges Up

NEW YORK — Blue-chip stocks posted a modest gain on Wednesday, but the over-the-counter market outpaced them for a second straight day as interest-rate and economic concerns were the focus for many investors.

The Dow Jones industrial average added 2.91 points, to 3,449.10. Rising issues outnumbered decliners by 174-5 ratio on the New York Stock Exchange. The Nasdaq over-the-counter index added 5.10 points, to 683.26, its seventh straight gain.

Weakness in the Mark Gives Dollar a Boost

NEW YORK — The dollar strengthened Wednesday, gaining against the Deutsche mark as pessimism about the German economy prompted traders to sell marks for U.S. dollars.

The dollar rose more than half a penny to 1.5795 DM, from 1.5745, and edged up to 110.35 yen from 110.20. The U.S. currency rose to 5.324 French francs from 5.3070 francs.



At night, Madrileños undergo an amazing transformation.

As the sun goes down, the people of Madrid are much prone to taking the night air. Hence their feline nickname, "Los Gatos." It all starts with an early evening "paseo" or stroll.

Table with columns: High, Low, Last, Chg. for Dow Jones Average. Values: 3449.10, 3447.50, 3449.10, +2.91.

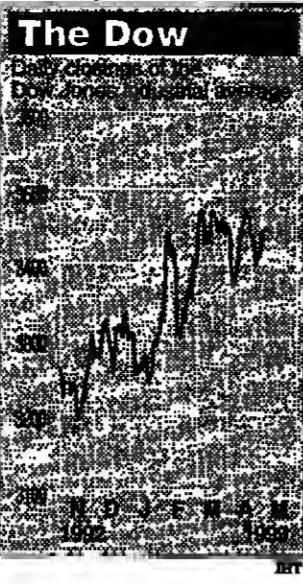


Table with columns: High, Low, Last, Chg. for NYSE Most Active. Lists various stocks like Intel, Microsoft, etc.

Table with columns: High, Low, Last, Chg. for NYSE Diary. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Amex Diary. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for NASDAQ Diary. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Standard & Poor's Indexes. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for NYSE Indexes. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for NASDAQ Indexes. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for AMEX Stock Index. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Dow Jones Bond Averages. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Market Sales. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for N.Y.S.E. Odd-Lot Trading. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for S&P 100 Index Options. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for NYSE Diary. Lists various market indicators and indices.

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Table with columns: High, Low, Last, Chg. for NASDAQ Diary. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for EUROPEAN FUTURES. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Food. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Metals. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Stock Indexes. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Spot Commodities. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Dividends. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for U.S. FUTURES. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Grains. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Metals. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for Livestock. Lists various market indicators and indices.

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Table with columns: High, Low, Last, Chg. for Financial. Lists various market indicators and indices.

U.S. / AT THE CLOSE

Treasury Shifts Quarterly Borrowing

WASHINGTON (AP) — The government on Wednesday drastically overhauled its quarterly borrowing to finance the national debt, eliminating seven-year notes and reducing sales of its belt-tightener 30-year bonds.

Fed Finds Signs of Strength in April

Washington (Bloomberg) — The U.S. economy gained strength in April as a result of stronger consumer spending, the Federal Reserve said Wednesday. That reversed a slump in consumer demand during March.

Kantor Says Airbus Taxes Patience

WASHINGTON (AP) — Airbus Industrie has still not provided data requested in February by Washington to determine if the European consortium is complying with an accord on government subsidies, the U.S. trade representative, Mickey Kantor, said Wednesday.

Chrysler Sees 13,000 Jobs in NAFTA

WASHINGTON (Bloomberg) — By providing greater access to the Mexican market, the North American Free Trade Agreement would allow Chrysler Corp. to create a net 13,000 new jobs by the year 2000, Chrysler's chairman, Robert Eaton, said Wednesday.

For the Record

The U.S. administration said it was withdrawing its request for \$70 million to fund the European Bank for Reconstruction and Development, which has been criticized for profligate spending.

General Motors Corp. said it had named a corporate strategist, who will report directly to the president's council. The position, which is new, will be held by Robert C. Purcell Jr.

ITT Corp. said it had agreed to sell its consumer small-loan portfolio, a deal that is expected to raise \$1.7 billion for the diversified financial-services concern.

Table with columns: High, Low, Last, Chg. for SP COMP. INDEX (DOW). Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for NYSE COMP. INDEX (NYSE). Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for COMMODITY INDEXES. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for STOCK INDEXES. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for COMMODITY INDEXES. Lists various market indicators and indices.

Table with columns: High, Low, Last, Chg. for COMMODITY INDEXES. Lists various market indicators and indices.



JAVIER LERO

H.K. Land Takes Helm At Trafalgar

Compiled by Our Staff From Dispatches LONDON — The British conglomerate Trafalgar House PLC reported Wednesday that it had moved heavily into loss in the first half of its financial year and appointed two officers from its main shareholder, Hongkong Land Co., as chairman and finance director.

Cruises Buoy Idle Shipyards U.S. Tourism Boom a Lifesaver for Europe

Bloomberg Business News LONDON — An army of middle-aged, middle-income Americans, married with children, is coming to the rescue of Europe's slumping shipyards. Tourism companies serving the booming market for ocean-going vacations in America are taking advantage of the malaise in the European shipbuilding industry by ordering some of the largest passenger vessels ever built, at some of the lowest prices ever paid.

been the Italian shipyard Fincantieri Cantieri Navali SpA. In January, Fincantieri won an order from Carnival for what will be the world's largest cruise liner. The 2,600-berth vessel, which will weigh 96,000 metric tons, is scheduled for delivery in 1997.

fleet expansion was the key to the 15 percent annual earnings growth he forecasts for his company, on sales increases he projects at 10 to 15 percent over the next five years.

Union to Expand German Strike

Compiled by Our Staff From Dispatches DRESDEN — East German metalworkers said they would expand their strike on Thursday and employers threatened a lockout after talks to end the pay dispute broke down on Wednesday.

The IG Metall union said the first work stoppage in the region in more than six decades would spread to nearly 50 sites in the industrial heartland of Saxony and 10 plants in Brandenburg, double the plants idled in those states through Wednesday. A further 26 plants in the northern state of Mecklenburg-Western Pomerania will stay closed.

the event of economic hardship. Dieter Kirchner, a leader of the metal industry employers federation, raised the possibility of a lockout in plants where some work has continued despite the strike.

"After we'd cleared away a lot of junk, it's totally incomprehensible that the IG Metall union said last night that we couldn't negotiate any further," he told German radio. (AP, Reuters, AFP)

News Changes At Bundesbank

FRANKFURT — Following a chaotic press conference last month that led to erroneous reports by electronic news services, the Bundesbank said Wednesday it planned to re-empower its system of publicizing policy decisions.

CITIBANK: Automated Services

(Continued from first finance page) bank machines permit customers to make deposits and see their balances as well. Self-service facilities in major cities allow customers to enter transfer orders into computers.

"On the other hand, German banks are under enormous cost pressure, so they will go in the same direction," he predicted. "The problem is that for them it's a huge investment with their hundreds of branches."

All German banks are trying to cut expenses as a deepening recession curbs income. "We've been interested in the market for telephone banking for quite some time now," said Uwe Kackenhoff, a Deutsche Bank spokesman, "but we sometimes observe the market longer than others before we act."

Telephone and self-service banking saves banks money in the long term, but the initial investment for a bank such as Deutsche Bank, which has 1,500 branches in Germany, is considerably more expensive than for Citibank, which has about 300.

The volume of deposits at Citibank's retail-banking business, last year grew 13 percent — about double the German average — to 11.2 billion Deutsche marks (\$7.12 billion). Meanwhile, Citibank Privatbank's net profit rose 55 percent to 97.4 million DM.

A consulting company recently found Citibank employees worked about 30 percent more efficiently than other German bankers, in large part because many people use the automated tellers extensively and telephone operators, who need no special training, work more cheaply than tellers at a counter.

The number of so-called Formula One accounts, an interest-bearing checking account that is itself a novelty in Germany and the key to Citibank's new services, grew by nearly 50,000, or 11 percent, last year, to 514,000.

Investor's Europe

Table showing stock market indices for Frankfurt, London, Paris, Amsterdam, Brussels, Helsinki, and Vienna. Includes columns for Exchange, Index, and Change.

Very briefly:

- Fiat SpA's chairman, Giovanni Agnelli, said the carmaker's profit was cut in half last year, to 500 billion lire (\$335 million); he said there was no end in sight for the European car slump and predicted that the market would shrink by some 20 percent this year. Meanwhile, an industry group said EC passenger-car registrations plunged 18 percent in April.

Ferrier Lullin & Cie SA

Table with Key Data columns: In SFM, 1991, 1992, % Change. Rows include Net Revenues, Cash Flow, Net Income, Dividend, etc.

With stocks and bonds more buoyant than in previous years due to easing money-market rates, Ferrier Lullin was once again able to achieve satisfactory results in fiscal 1992. The nearly SFr 20m our operations generated in cash flow enabled us to raise our dividend from 24% to 26% while retaining more money to cover capital investments than in the preceding financial year.

Geneva - Luxembourg - Bahamas Grand Cayman - Hong Kong - Singapore

WORLD MARKETS

Table of world market indices for Amsterdam, Brussels, Frankfurt, London, and other major cities. Includes columns for Index, Change, and Previous.

Market Closed

The stock market in Tokyo was closed Wednesday for a holiday.

Table of market data for Tokyo, including various stock indices and their values.

Table of market data for Toronto, including various stock indices and their values.

Table of market data for Zurich, including various stock indices and their values.

Table of market data for Sao Paulo, including various stock indices and their values.

Table of market data for Singapore, including various stock indices and their values.

Table of market data for Stockholm, including various stock indices and their values.

Table of market data for Montreal, including various stock indices and their values.

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Weekly net asset value as of 30-04-1993 US \$231.89 Listed on the Amsterdam Stock Exchange

Information: NewPerson Capital Management Bldm 63, 1012 KR Amsterdam, Tel: +31-20-5211410

Large advertisement for SKF Channel Concept. Text: "The SKF Channel Concept achieves modern, efficient production where everything flows." Includes SKF logo and contact information.





# Manila Stocks: Power On Rally Eclipses Electricity Crisis, for Now

By Kevin Murphy

**MANILA** — The peso's value is falling, the electricity is out for eight hours a day, and despite a lot of talk about a merger, the country's two stock exchanges cannot decide which one should move in with the other, so neither will bud.

Nonetheless, the Philippine stock market is consistently hitting record highs, driven by decent performances from some of the country's big industrial groups and low interest rates that mean a dearth of attractive investment alternatives.

Despite the country's grave economic problems — especially a chronic power shortage that has already knocked one percentage point off the government's 1993 economic growth forecast of 4.5 percent — analysts say the market still has room to go up.

"The Manila composite index can go to 1,750," said Ramon Kabigiting of Ansoor Hagerford Securities, referring to the leading stock index, which closed at another record of 1,654.39 Wednesday. "It's looking like our bull market in late 1989 — but this time we don't see a coup d'état attempt bursting the bubble."

In less than one year, the administration of President Fidel Ramos has largely neutralized the threat of insurrection from both the right and the left. It has also sought to tackle inflation and the country's

desperate electricity shortage, with mixed success.

The market has responded positively to both efforts, although some analysts say disappointment lurks on the latter.

"We were quite skeptical of prospects earlier this year, but the government has done well to bring interest rates down," said Annabelle Dyachian, head of research at Sun Hung Kai Securities. "Now we're seeing a market largely driven by liquidity."

Despite a breakdown in talks between the Ramos government and the International Monetary Fund over a new financing package, some signs indicate the Philippines is gradually getting its economic house in order.

"The market is looking down the road," Mr. Kabigiting said. "Whether it's individual company earnings or the economy overall, that's something we haven't seen here in a long time."

However, bringing inflation down to about 8.5 percent from a 1991 high of 20 percent has not yet translated into stronger growth or an increase in long-term foreign investment.

And many market-watchers say the enthusiasm that greeted Mr. Ramos' invoking emergency powers to address the electricity crisis could switch to disappointment, which could deflate the traditionally volatile market.

"Investors should be aware that the market very likely expects the energy problem to end in summer," said Paul Schulte of CS First Boston (Hong Kong) Ltd. "This is very likely not the case, and the market could react negatively when it realizes its expectations have been dashed."

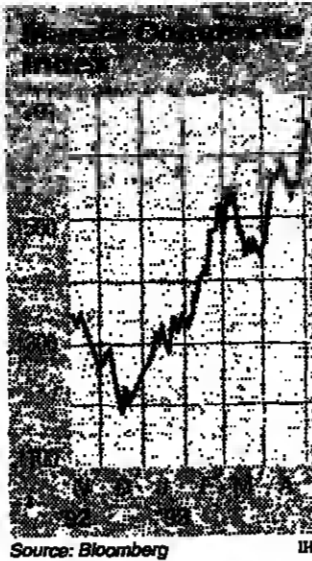
Sentiment often is the overriding factor in determining how the Philippine exchanges will perform.

"With regard to either earnings growth or market performance, CS First Boston said in a recent market review, "there is little or no correlation with nominal gross domestic product, private consumption growth, M-2 growth, the current-account deficit, inflation or the deficit."

Nor can economic performance statistics be easily found to correlate with price movements of major stocks, six of which account for 69 percent of the Manila composite index.

Brokers point to the market's strong performance as evidence that it can handle several new issues slated for this year, including one, JG Summit Holdings Inc., that could become one of the market's leaders in terms of market capitalization, and a massive government-backed privatization program.

The bull run has also diverted some attention from the long-running battle by the Securities and Exchange Commission to unify the



Source: Bloomberg

country's two stock exchanges.

Although agreement was reached to achieve "functional unity" via a computer trading system to be installed in both exchanges this year, centralized clearing and custody services will not be coordinated until next year.

Unless there is a breakthrough, it appears that both exchanges — the Chinese-Filipino-dominated Manila and the Spanish-Filipino-dominated Makati — will maintain their own fully operational trading floors across town from each other.

"I'm not satisfied with two separate trading floors," said Rosario Lopez, chairman of the Securities and Exchange Commission. "But the main thing I was after was one price. Investors feel defrauded if they trade at one price and see a different price on the rival exchange. It had to stop."

# Prospects Brighten For Big Japanese Steelmakers in '93

Bloomberg Business News

**TOKYO** — Japan's top steelmakers can look forward to better earnings for the financial year 1993 as the Japanese economy improves, inventory levels come down and cost-cutting measures begin to offset 1992's steep declines.

Japan's Big Five producers — Nippon Steel Corp., Kawasaki Steel Corp., NKK Corp., Sumitomo Metal Industries Co. and Kobe Steel Corp. — saw profits plummet in 1992 as a global economic slowdown and a lack of demand from key domestic customers including automakers and construction companies eroded demand for steel.

The hard times forced the steel companies to close plants, reduce staff and streamline operations. Nippon Steel, NKK and Kawasaki Steel have announced plans to cut more than 3,000 jobs each in three- to five-year restructuring plans.

But steel-industry profits are likely to decline significantly less in 1993, according to forecasts by Japan's top four securities houses. The four, Nomura, Nikko, Daiwa and Yamachi, say current profit in Japan's steel industry will be down an average of 26 percent on the year in financial 1993, compared with a 65 percent decline in 1992.

While profits in the industry will still be down, analysts say that the worst is over for the steelmakers.

"I think we will see a sizable recovery in earnings next year," said Stephen Wolfe, an industry analyst at Barings Securities Co. Cost-cutting measures by the industry will take effect soon, although the major companies will still have to go to the capital markets to raise money to pay their dividends, he said.

Recent statistics back up the optimism in the industry.

Japan's crude steel production rose 3.8 percent in March from a year earlier, to 8.59 million metric tons, the fourth month of year-on-year increases after 16 straight months of decline. Japan's Iron and Steel Federation said in April.

An expected increase in orders for public-works projects as a result of the government's plans to boost the economy will also have a positive effect on steelmakers' earnings, said Shigeaki Okamoto, an analyst at UBS Securities.

Barriers to improved profits remain. On Jan. 27, the U.S. Commerce Department decided to impose antidumping duties on steel imports from Japan, adding between 19 percent and 26 percent to the price of Japanese steel products in the United States.

Investor's Asia			
Index	Point	% Change	High/Low
Hong Kong Hang Seng	10,100	+0.5	10,000/10,200
Singapore Straits Times	2,200	+0.5	2,150/2,250
Tokyo Nikkei 225	12,500	+0.5	12,400/12,600
Manila Composite	1,654.39	+0.5	1,600/1,700
ASEAN Composite	1,200	+0.5	1,150/1,250
Indonesia Jakarta	1,500	+0.5	1,450/1,550
Malaysia KLSE	1,800	+0.5	1,750/1,850
Philippines Manila	1,654.39	+0.5	1,600/1,700
Thailand SET	1,200	+0.5	1,150/1,250
Vietnam Hanoi	1,000	+0.5	950/1,050
Yokohama Specie	1,500	+0.5	1,450/1,550
Yokohama Specie	1,500	+0.5	1,450/1,550
Yokohama Specie	1,500	+0.5	1,450/1,550
Yokohama Specie	1,500	+0.5	1,450/1,550

## Very briefly:

- Japan's 21 big banks will report bad loans totaling about 13.5 trillion yen (\$121 billion) as part of earnings results for the year ended March 31, the Nihon Keizai Shimbun reported.
- Philip Morris, the U.S.-based food and tobacco giant, has applied for a license through its Philip Morris Asia unit to open a representative office in Vietnam, the Vietnamese Light Industry Ministry said.
- The Philippines' year-on-year inflation rate fell to 7.4 percent in April from 7.8 percent in March due to lower prices in almost all major commodity groups, the National Statistics Office said.
- Nepal has become New Zealand's second-biggest wool customer after China, according to the latest data from the New Zealand Wool Board.
- Indonesia's trade surplus jumped in February to \$1.08 billion, from \$859.2 million in January, Information Minister Harmoko said.
- China Overseas Land & Investment Ltd., a subsidiary of the Beijing-controlled China State Construction & Engineering Corp., said it had signed a letter of intent with Sun Hong Kai Properties to develop a piece of land in Guangzhou, China.
- Lai Sun Development, a Hong Kong real estate developer, has bought the Ritz Carlton Hong Kong, a luxury hotel yet to open its doors despite its completion last July, the South China Morning Post reported. The newspaper said Lai Sun was understood to have agreed to a price of just under 1.2 billion Hong Kong dollars (\$153.8 million).

## Indian Industry in Slump

**BOMBAY** — Indian industry, still in a slump after two bad years, needs to be revitalized before it depresses the economy as a whole and stops recovery, the Reserve Bank of India said Wednesday.

The central bank said that although a good harvest had helped the economy as a whole to grow 4.2 percent in the fiscal year ended March 31, compared with 1.2 percent growth the previous year, industry had done little to contribute.

"Thus, attention needs to be focused on the revival of industry, activity so that it does not become a drag on the overall performance of the economy," the bank said in its report on fiscal 1992.

India's industrial growth rate plummeted to 0.1 percent in fiscal 1992 from 8.2 percent the previous year, mainly because, with foreign exchange at a premium, the government cut imports to the bone, curbing imports of raw materials.

# YEN: American Exporters Keep Japanese Prices High

(Continued from first finance page)

Some Japanese distributors of American-made products have already stocked up with goods. Yanase & Co., the exclusive importer and dealer of General Motors Corp. automobiles in Japan, said it already paid for 90 percent of its inventory for the 1993 model year at a time when the yen was weaker. That leaves little leeway for lowering prices until the next model year, which begins in the fall, said Shoji Sugimoto, a director. In any case, he said, having automobile prices fluctuate monthly or quarterly with currency rates would make customers "uncomfortable."

Others say that strategic marketing factors and supply and demand, not just currency rates, play a role in determining prices. Walden C. Rhines, a vice president of Texas Instruments Inc., said "right now, demand is very strong around the world" for computer chips, so there is no need to cut prices.

Cray Research Inc., the U.S. supercomputer manufacturer that has been vocal in complaining about lack of access to Japan's market, also has no plans to change prices because of the yen. "Our product is already price competitive," said Tak Kato, manager of strategic marketing of Cray Research Japan, who said the company recently introduced a new product line.

Other companies, such as International Business Machines Corp. and Procter & Gamble Co., say that they do much of their manufacturing in Japan, so their costs are mainly yen-denominated and do not change with the yen appreciates. Even companies that import products say that much of the price in Japan reflects rent and salaries and other costs incurred in Japan.

"The local cost of doing business here is very high, and it doesn't go down at all," said the head of Japanese operations for an American cosmetics company.

Some Japanese distributors of American-made products have already stocked up with goods. Yanase & Co., the exclusive importer and dealer of General Motors Corp. automobiles in Japan, said it already paid for 90 percent of its inventory for the 1993 model year at a time when the yen was weaker. That leaves little leeway for lowering prices until the next model year, which begins in the fall, said Shoji Sugimoto, a director. In any case, he said, having automobile prices fluctuate monthly or quarterly with currency rates would make customers "uncomfortable."

Others say that strategic marketing factors and supply and demand, not just currency rates, play a role in determining prices. Walden C. Rhines, a vice president of Texas Instruments Inc., said "right now, demand is very strong around the world" for computer chips, so there is no need to cut prices.

Cray Research Inc., the U.S. supercomputer manufacturer that has been vocal in complaining about lack of access to Japan's market, also has no plans to change prices because of the yen. "Our product is already price competitive," said Tak Kato, manager of strategic marketing of Cray Research Japan, who said the company recently introduced a new product line.

Other companies, such as International Business Machines Corp. and Procter & Gamble Co., say that they do much of their manufacturing in Japan, so their costs are mainly yen-denominated and do not change with the yen appreciates. Even companies that import products say that much of the price in Japan reflects rent and salaries and other costs incurred in Japan.

"The local cost of doing business here is very high, and it doesn't go down at all," said the head of Japanese operations for an American cosmetics company.

# Hong Kong Ready for China Listing

Bloomberg Business News

**HONG KONG** — The first Chinese state-run enterprise to be quoted directly in Hong Kong will be listed some time in the middle of this year, a stock exchange official confirmed Wednesday.

Herbert Hui, executive director of the Hong Kong Stock Exchange and head of its listing department, said at a seminar sponsored by Legal Business in Asia that the exchange still expected to list the first of several Chinese companies in the next month or so.

China is struggling to prepare nine state-owned companies for flotation on the territory's exchange. The enterprises themselves are trying to comply with exchange disclosure and accounting rules, which Chinese companies have never faced before.

For its part, the Hong Kong Stock Exchange is in the process of hammering out the necessary regulations. In particular, the exchange is trying to introduce shareholder protection laws into China's legal system for the first time.

"The progress on the nine companies is varied right now, but we still want to get something out by the middle of the year," Mr. Hui said. "I wouldn't necessarily say

that we are behind schedule. Usually it takes 40 days for a new listing, but this is a new situation."

The Chinese companies will issue new shares called international, or I shares, which will be denominated in renminbi, China's unconvertible currency.

China already issues A shares, which can only be traded by domestic Chinese investors, and B shares, reserved for foreigners trading inside China.

Mr. Hui said Chinese companies would have to meet the level of shareholder protection normally expected of Hong Kong companies. In order to do so, the Hong Kong exchange has introduced regulations pertaining to the duties of company officers and major shareholders.

Any disputes would be settled under Chinese law, but complaining parties would be able to choose where the dispute would be settled, Mr. Hui said.

"There has always been an uncertainty where disputes would be settled," Mr. Hui said. "We've decided that they can be taken care of in Hong Kong, or in China, by arbitration. The claimants can

choose where they want their complaint to be heard."

He said that while the provisions were not perfect, they at least provided an option to a disputing party. "Only time will tell whether the protection will work," he said. "But we have drawn from previous experiences. The exchange will continue to establish itself as an international market for all of China."

David Norman, a partner at Richards Butler, an international law firm, said the regulations would probably change as situations arose. "These are very early days; experience will lead to changes in the system," Mr. Norman said.

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# ADB: U.S. Tells Bank to Be Thrifty

(Continued from first finance page)

possibility that they thus far had not chosen to act upon.

"We've got enough on our hands with the U.S. trying to determine its position this time around," said one Western diplomat. "But the time is coming when some Asian countries will have to contribute more to the region's development."

Delegates noted in repeated references to a need for tighter assessment of the bank's performance a direct challenge to the ADB's management style.

"This piece is run very much along Japanese management lines," said one senior ADB official based in Manila. "We've never had a comprehensive review by outsiders before, but then we've never seen so much concern about the quality of our lending or administrative costs before."

"It may seem like nothing is happening," said the official, "but this call for greater transparency could be seen as a breakthrough. It will definitely help us sell our involvement here at home come budget time."

appear to slow down the bank's work in future is not in line with Asian expectations.

Finance Minister Yoshino Haraishi said Japan would not challenge the United States, the bank's other largest shareholder, on the capital increase impasse that has overshadowed proceedings at the three-day meeting this far.

Germany supported the call to double the bank's capital, but several other donor nations were more circumspect in quantifying their enthusiasm for the fund-raising exercise.

"We still expect that a substantial capital increase will be needed," said Neil Hyden, Australia's representative to the meeting. "But we urge the ADB's management to be realistic both about the feasible scale of ADB lending operations and about the budgetary constraints in ADB members."

A few Western diplomats privately suggested Asia's newly industrialized countries had a greater role to play as regional donors, a

## COLUMBIA SECURITIES N.V. AMSTERDAM

Shareholders are invited to attend the Annual General Meeting of Shareholders to be held on Friday, May 14, 1993 at 10:45 a.m. at the office of the ABN AMRO Bank N.V., Vijzelstraat 32, Amsterdam.

- AGENDA**
1. Opening.
  2. Report of the Management for the financial year 1992 and report of the Supervisory Board.
  3. Adoption of the Annual Accounts for the financial year 1992.
  4. Appropriation of the 1992 result.
  5. Appointment of member of the Supervisory Board.
  6. Any other business.
  7. Closing.

The respective documents are available at the office of the company, Poppingadreef 22, Amsterdam and at the ABN AMRO-office, Herengracht 597, Amsterdam.

Holders of bearer shares wishing to attend the General Meeting must deposit their shares ultimately on Tuesday, May 11, 1993 before 2:00 p.m. with the ABN AMRO Bank N.V. or with Banque de Neufilz, Schlumberger, Mallet S.A., Paris. A deposit certificate will be issued to such shareholders, which, upon surrender, will entitle them to attend the meeting and cast their vote.

Amsterdam, April 28, 1993

Manager:  
ABN-de Neufilz International Investment  
Advisory Company B.V.

# BFCE IN 1992: A NEW EARNINGS INCREASE

Under the chairmanship of Michel Freyche, the Board of Directors of BFCE closed the accounts for the financial year 1992 during the meeting held April 7, 1993.

## Sustained activity despite difficult economic conditions

During 1992, BFCE confirmed the high level of activity it had maintained in 1991.

Consolidated net banking income amounted to FRF 2,066 million, up from FRF 2,041 million in 1991. This advance, which was slowed by the sovereign risk defeasance program, resulted from sustained growth (5 percent on a comparable basis) in the Bank's market activities, which now account for 85 percent of net banking income. This performance well illustrates the complementary nature of the various business activities now offered by BFCE: the income progression recorded in money and capital market operations and in international banking, for example, helped the Bank to overcome the adverse effects of the economic downturn on commercial banking in France.

CONSOLIDATED INCOME (FRF millions)	1991	1992	Variation (%)
Net banking and other income	2,041	2,066	+ 1
Operating income before provisions	671	696	+ 4
Net income, Group share	115	137	+ 18
<b>TOTAL CAPITAL (GOOKE Standard) (FRF billions)</b>	<b>5.6</b>	<b>6.6</b>	<b>+ 18</b>

With operating expenses at the same level as in 1991, gross operating profit grew by nearly 4 percent, to FRF 696 million.

## Higher income, with a strengthened financial base

Net allocations to provisions were FRF 410 million in 1992, down from FRF 530 million the year before. While allocations to provisions for specific risks were significantly higher, FRF 360 million versus FRF 299 million in 1991, as a result of the weakened economic situation, allocations to provisions for sovereign risks dropped sharply to FRF 50 million, from FRF 231 million in 1991, due to the beneficial effects of the defeasance program. The coverage ratio for the sovereign risks remaining on Bank books increased nevertheless to 60 percent, including coverage for the countries of the former Soviet Union whose risk coverage ratio in 1991 had been only 35 percent.

After supplemental allocation to general provisions of FRF 120 million for contingencies, and FRF 50 million to the Fund for General Banking Risks, consolidated net income, Group share, rose to FRF 137 million, representing an increase of 19 percent over the previous year.

In addition, the revaluation of a portion of the Bank's real estate holdings generated a FRF 640 million capital gain which, without passing through income, was allocated directly to total capital. Following adjustments, total capital increased by nearly FRF 1 billion, amounting to FRF 6.6 billion at December 31, 1992. The Bank's Cooke ratio at year-end 1992 stood at 8.6 percent.

**BFCE Banque Française du Commerce Extérieur**

## Crédit Agricole 1992 Results

### Growing Sounder By The Day

In a hostile economic environment, Crédit Agricole again demonstrates its solid financial state and reports further performance gains. Sound, Steady Activity Total deposits advanced 8% to USD 284 billion and total loans outstanding exceeded USD 180 billion.

Consolidated data at December 31, 1992

Net income **USD 950 million**

Capital and quasi-capital **USD 18.3 billion**

Total assets **USD 300 billion**

**Solid, Steady Performance**  
A solid business mix, resulting from long-term strategic planning, and rightly

controlled overheads helped Crédit Agricole to achieve a 6% rise in net income to USD 950 million. **Expansion of Capital Base** With USD 18.3 billion in capital, Crédit Agricole ranks among the world's foremost banks. Customers enjoy a high level of security

backed by Crédit Agricole's consistently strong credit rating, and growth potential based on a Cooke ratio in excess of 9%.



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# SPORTS BASEBALL

## 2 Should-Be Big Hitters Finally Come Through

**The Associated Press**  
 Cecil Fielder had gone 20 games without hitting a home run, his longest drought with the Detroit Tigers. Don Mattingly had gone 174 at-bats without a home run, the second-longest slump of his career.

On Tuesday night, they both got back into the swing.

Fielder hit a long shot at Tiger Stadium to lead Detroit past the Kansas City Royals, 5-3.

"I just haven't been on," Fielder said. "But I have to fight my way through it in my own way. It doesn't do any good to make a big fuss over it. You have to be a man about stuff like that."

Mattingly homered for the first time since last Sept. 15 as New York beat Oakland. He went 312 at-bats without connecting in 1991, and stopped this skid with a drive at Yankee Stadium.

Fielder's home run was his first since April 9. It was the third of the year for the slugger who has hit 130 in the past three seasons.

"If 'Dad' gets started, he can carry us for a month," Tony Phillips said. "When he gets rolling, the big get rolling."

Rick Deer and Chad Kreuter also homered as Detroit held first place in the AL East.

"Look around this room," said Kreuter, who got three hits and raked his average to .452. "There is

a lot of support. We never feel like we're out of a ballgame."

Even though Fielder's home run got the most attention, it was his RBI single in the seventh inning off Tom Gordon that put Detroit ahead for good.

**Yankees 4, Athletics 2:** Kevin Maas's three-run homer in the fourth was the big blow against Oakland.

**Rangers 3, Blue Jays 2:** Ivan Rodriguez and Juan Gonzalez hit RBI singles in the eighth as host Texas rallied to beat Toronto and reliever Duane Ward, who last season pitched 10 hitless innings against the Rangers and struck out 13.

Charlie Leibrandt started for Texas and gave up six hits in seven innings. His last appearance against the Blue Jays was for Atlanta in the World Series, when he was the losing pitcher in the sixth and final game.

**Mariners 7, Red Sox 6:** Boston rallied for five runs in the ninth but fell short at Fenway Park as Seattle defeated the Red Sox for the fourth consecutive game.

Seattle, which has outscored opponents 21-7 in the first inning this season, got three runs in the opening inning.

**Indians 5, Angels 3:** Carlos Martinez put host Cleveland ahead for good with a two-run homer in the sixth and the Indians won their fourth straight. California has lost five in a row, the last four on the road.

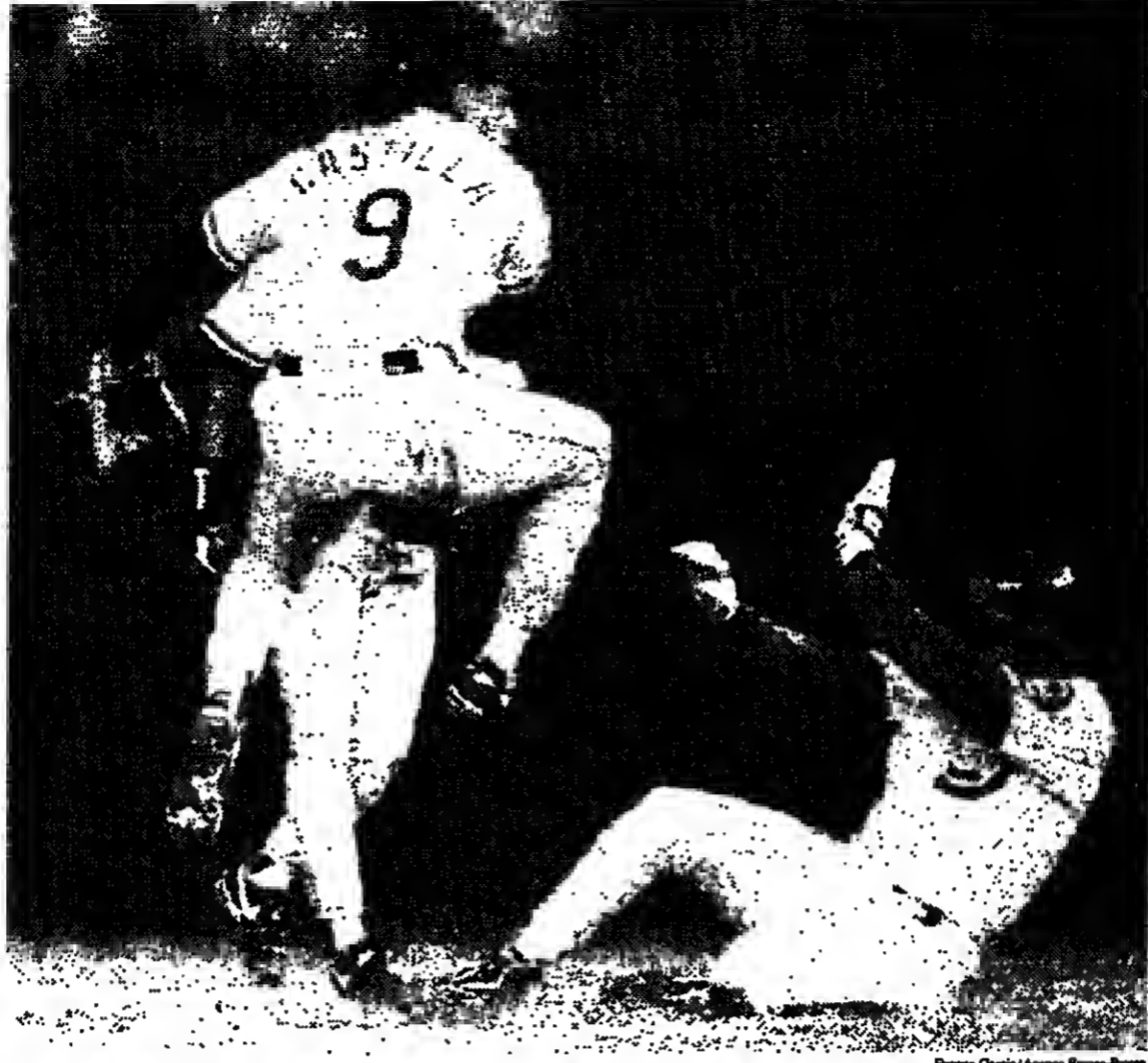
**Twins 4, Orioles 3:** Scott Erickson held visiting Baltimore to three hits for seven innings to win his first game of the season as Minnesota posted its first three-game winning streak this year.

Mike Trombly allowed Chris Hoiles' two-run homer before Rick Aguilera closed for his eighth save.

The Orioles' Harold Baines reached base for the 13th straight time with a walk in the first, but grounded out in his next at-bat, leaving him tied with Jim Dwyer for the team record for reaching base and three short of the major league mark held by Ted Williams. Baines later hurt his rib cage checking his swing, and is expected to miss a few games.

**Brewers 6, White Sox 1:** Kevin Reimer homered, doubled and drove in three runs as Mike Boddicker got his first victory as a starting pitcher since 1991, helping Milwaukee beat visiting Chicago.

Boddicker, acquired from Kansas City last week, gave up five hits in six-plus innings. He had not won as a starter since Sept. 20, 1991, with the Royals.



Shortstop Vinny Castillo, dodging Jose Vizcaino, and the Rockies hopped to it in beating the Cubs, 14-13.

## Rockies Outlast Cubs in a Wild Debut at Wrigley

**The Associated Press**  
 Joe Girardi took his new buddies back to the old neighborhood just to show them that all the stories they'd heard were true.

Girardi, who once caught for the Chicago Cubs, led the first-year Colorado Rockies into Wrigley Field on Tuesday night and, 11 innings and 27 runs later, they had a 14-13 victory to show for their first outing in the Windy City.

"It was the craziest game I ever saw here," Girardi said.

"I feel like a survivor, not a winner, after this exhibition of baseball," said the Rockies' manager, Don Baylor.

Two of the longest balls were struck by Sammy Sosa, who hit a three-run homer with two out in the ninth to tie the score at 10, then hit

a two-run shot as the Cubs scored three times in the 11th to fall just short.

Sosa had been benched during the weekend because of a slump.

Jim Tatum hit the expansion Rockies' first grand slam during a

Phillies 4, Giants 3: In San Francisco, Dave Hollins hit a two-run, opposite-field homer in the 12th off reliever Dave Righetti as Philadelphia won the game between teams with the best records in the league. John Kruk led off the inning with a single and Hollins followed with a drive that cleared the fence in right.

**Cardinals 6, Astros 1:** Bob Tewksbury held Houston to six hits in St. Louis and, for the second game in a row, got a two-run single. Tewksbury, a career .126 hitter, is batting .300 with four RBIs in 10 at-bats this season.

**Marlins 9, Reds 6:** Orestes Deshaies, a Miami native, hit his second homer and drove in five runs against Cincinnati. Deshaies, who had averaged almost 40 homers a season during four years in Japan, hit a three-run homer in Florida's

four-run first inning, singled home a run in the fourth and drove in another with a bases-loaded ground out in the fifth.

Chris Hammond won despite allowing a grand slam by Chris Sabo in the fourth and a two-run homer by Joe Oliver in the seventh.

**Expos 6, Padres 3:** Dennis Martinez pitched a five-hitter as Montreal, playing at home, ended its three-game losing streak. Larry Walker and Moises Alou each hit two-run singles against San Diego.

**Braves 3, Pirates 2:** Mark Lemke hit a one-hopper off the right shoulder of Tim Wakefield in the sixth, the ball caroming into left field and allowing Ron Gant and Sid Bream to score and give Atlanta a 3-1 lead in Pittsburgh.

**NL ROUNDUP**  
 six-run eighth inning that gave them a 10-5 lead. Girardi, Jerrell Clark and Charlie Hayes also homered for the visitors in a game that was scoreless until the fifth.

In the 11th, Clark hit a two-run double and an error by shortstop Jose Vizcaino allowed two more Colorado runs to score.

Sosa also had a double as the Cubs finished with 21 hits, Colorado had 17.

## Penguins Defeat Islanders, 3-0, but Without Lemieux

**The Associated Press**  
 The Pittsburgh Penguins are back, even though Mario Lemieux isn't.

"The last thing we could afford to do was lose the first two games and go to Game 3, maybe without Mario," said the Penguins' goaltender, Tom Barrasso, after Tuesday night's 3-0 playoff victory over the Islanders.

With Lemieux watching from a private box at the Pittsburgh Civic Center following another bout with back pain, the defending Stanley Cup champions relied on Barrasso's goaltending and tight defense to tie their Patrick Division final at 1-1.

Lemieux's status for Game 3, Thursday night at the Nassau Coliseum probably won't be known until game time. Lemieux, who only played 2 1/2 minutes in the series opener, was expected to play in Game 2 after his sporadic back pain eased Monday. But the spasm resurfaced Tuesday and he decided 10 minutes before the pregame warmup he couldn't play.

The Penguins, outskated and outworked in the Islanders' 3-2 victory in Game 1, used Lemieux's absence as the motivation they needed to even the series. Playing essentially a must-win game, they used goals by Joey Mullen in the first period and Rick Tocchet and Ron Francis in the third to prevent falling behind, 2-0, in the series.

Barrasso turned away 26 shots in his fourth playoff shutout, and second in seven games this season.

**Canadiens 4, Sabres 3:** Guy Carbonneau scored 2:50 into overtime as Montreal held its home-ice advantage over Buffalo in the Adams Division final.

It was the 16th overtime game of the postseason, tying the record set in the 1982 playoffs.

Buffalo's Doug Bodger tied the score 44 seconds into the third period with a disputed power-play goal. Video replays showed that Yuri Khayler was in the crease, but was pushed in and hadn't interfered with goaltender Patrick Roy.

## Juventus Tops Dortmund in Opener of UEFA Final

**Reuters**  
 DORTMUND, Germany — Juventus' star striker, Roberto Baggio, scored twice Wednesday night as his team took a major step towards its third UEFA Cup triumph with a 3-1 victory at Borussia Dortmund in the first leg of the final.

Baggio first cogly stotted home Juventus' cross in the 31st minute, after Dino Baggio's 27th-minute goal had canceled out an early Dortmund strike from Michael Rummenigge.

Then the 26-year-old striker turned brilliantly in the penalty area in the 74th minute to score his second goal and effectively end the Germans' hopes of winning their

first European title for 27 years.

Juventus, one of the most successful clubs in European competition, won the UEFA Cup in 1977 and 1990 and were beaten twice in the finals.

With a two-goal lead to take into the second leg in Turin in two weeks, Juventus is unlikely to let the trophy slip from its grasp after its excellent performance in Germany.

Dortmund's defense was severely weakened without the services of Michael Schulz, who was suspended, and Australian Ned Zelic, who was unable to play because of a thigh strain.

But the German World Cup de-

fender Stefan Reuter managed to pass a last-minute fitness test on a pulled thigh muscle to contest the match, which was played in an intense atmosphere in Dortmund's Westfalen Stadium.

Despite being behind for a time, Juventus always looked a class above the Germans. Baggio and former Borussia player Andreas Moller soon exposed the inexperience of second-choice defenders Thomas Franke and Uwe Grauer at the back.

But it was the Juventus defense that was caught cold in the second minute, when Knut Rheinhardt's cross from the left found Rummenigge free on the edge of the box.

The former German international midfielder fired brilliantly.

In the 27th minute, Dino Baggio seemed to have meters of space to curl the ball with his left foot past the far post after Moller's pass had put him free on the right side of the box.

Four minutes later, Vialli crossed from the left to Baggio, who was completely unmarked in front of the goal, and he gave the Italians a 2-1 lead at halftime.

Moller combined again with Baggio for the Italians' third goal, providing another pinpoint pass.

Dortmund stormed forward in the second half to try to pull a goal back but the German World Cup

defender Jürgen Kohler did a superb man-to-man marking job on the Swiss striker, Stephane Chapuisat, Dortmund's most dangerous weapon.

Brazilian Julio Cesar let little past in the center of the defense.

Moller, the German international, was one of Juventus' best players on his return to his old hunting ground. But the midfielder was still cautious about the Italian club's chances of winning the final.

"Our chances are good now but we mustn't feel too secure," he said. "Borussia will remain a dangerous opponent in the return match," he said.

### DENNIS THE MENACE



### PEANUTS



### BLONDIE



### BEEBLE BAILEY



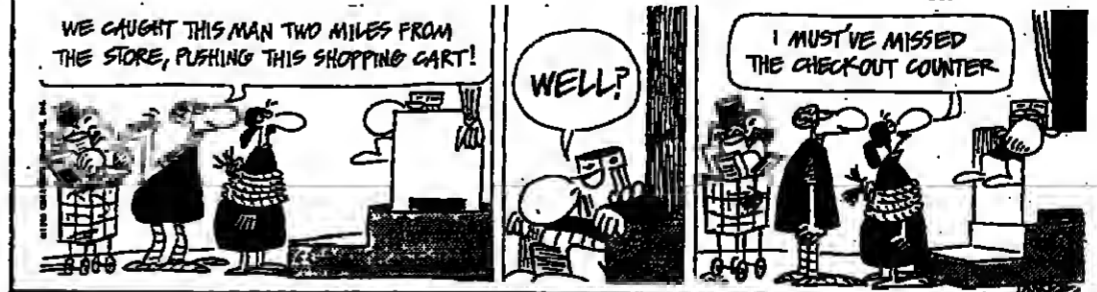
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**SPORTS**

**Taking Day-by-Day**

**Knife Wound**

**Shoulder Muscles**

By Frank Litsky  
 New York Times Service

**Back in Germany, Giants' Pick Had NFL for Breakfast**

EAST RUTHERFORD, New Jersey — In the 1980s, Gene Strahan and his son, Michael, had this routine every week in the fall: They would go to bed as early as 7 P.M. Monday and get up at 4 A.M. to watch football on television.

In the United States, the games they were watching were known as "Monday Night Football," but in Germany, where they were living, it became Tuesday Morning Football.

Gene Strahan was a major then in the U.S. Army. He retired in 1985, and now he and his wife, Louise, own a transport business in Mannheim, Germany, and still live there. Michael, the youngest of their six children, is now a 6-foot-4-inch (1.94-meter), 262-pound (119-kilogram) defensive end chosen by the New York Giants in the second round of the National Football League draft.

At the Giants' two-day minicamp for 40 rookie draftees and free agents, Michael talked about growing up in Germany and preparing for a football career in the United States. The route was not exactly routine.

"I lived in Germany from 1981 to 1989," he said. "I played football until the eighth grade, but I stopped playing because the competition level in Germany was not that great. I played baseball instead."

"For my senior year of high school, I went to Houston to play football because my dad thought I was good enough to eventually play in college. I lived with my uncle Art in Houston."

Art Strahan had been a defensive end himself, spending seven seasons in the NFL.

"Then I went back to Germany and graduated from high school," the Giants' top pick continued. "I returned to Houston in the summer and decided to go to Texas Southern to play college football."

He became a four-year starter, a superb pass rusher who made 14 1/2 sacks as a junior and 19 as a senior. Because Texas Southern was not a college power, Strahan said, he just had to work harder.

"I got a lot of hands-on coaching there," he said. "You might make it on TV or get in the papers a little, but not enough for me. I wanted to be talked about as the best. I think the Giants must think that I'm prepared for it."

Coach Dan Reeves of the Giants said he was impressed by Strahan's physical skills. Reeves said that in 1970, when he played for the Dallas Cowboys, he was introduced to a test in which players tried to make a series of three 10-foot standing long jumps. He said the only Cowboys who managed it that year were Bob Hayes and Mel Renfro, both track stars. Gary Player, the golf pro and fitness devotee, was visiting and did it, too.

Here at the minicamp, Reeves said, several linemen, including Strahan, succeeded in that test.

While the Giants expect Strahan to contribute quickly as a pass rusher, they are willing to give him time to learn and become stronger and heavier — and, it is hoped, a full-time player.

"He probably can be used situationally this year," the club's general manager, George Young, said. "We expect to get something out of him this year."

Strahan has high hopes, too. "I expect a lot out of myself," he said. "I expect to help the team the first year in some way. From everything I see here, I'm not an every-down player, but when I learn the position and get stronger, I will play every down. I'm a quick learner, and I have good work habits."

He has other things going for him. Michael (which he prefers to Mike) Strahan is only 21, refreshing and easygoing. He comes from a close-knit family; his three brothers work in the family business in Germany. He lives in Houston with his German-born wife, Wanda, and their 17-month-old daughter, Tamita. He telephones his parents almost every day.

He said he was already planning for his first pro game. He said he would send a plane ticket to make sure his father was there. And he said if he made a sack or another big play, there would be no dance of celebration.

"At Texas Southern," he said, "I had a dream that I intercepted a pass and got to the end zone and danced. The next day, the other team threw a ball in my hands, and I didn't hold it. I think I dropped it because I already saw myself dancing."

**BOARD**

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# SPORTS BASKETBALL

## Seles: 'Taking It Day-by-Day'

### Doctor Says Knife Wound Affected Shoulder Muscles

VAIL, Colorado—Monica Seles, speaking publicly for the first time since she was stabbed in the back by a spectator at a tournament in Hamburg, said Wednesday she had no idea how long it would be before she will play tennis again.

"I am taking it day-by-day," Seles said at the Steadman-Hawkins Clinic, where she is being treated for the wound received Friday at the Citizens Cup. "For me, the big thing is to recover my arm. I don't want to look too forward."

Smiling and appearing relaxed, the world's No. 1 woman player, a left-hander, sat with her left arm motionless at her side and winced when she first sat down.

Dr. Richard Steadman, who is treating her, said the wound "was deep enough to affect the muscles that rotate the shoulder. Her range of motion has improved in the last few days."

He refused to speculate on how long Seles's recovery would take or whether the injury would have a long-term effect on her tennis. He said the injury would affect mostly the muscles involved in her serving and overhead shots.

"I can't offer assurances," he said. "From an objective standpoint, the area of injury did not affect a nerve or an artery. Muscles should heal. She's a great healer. My anticipation is she can get to the same level as before."

Seles, dressed in a blue T-shirt with a black jacket over it, said, "I feel O.K., the best I could. I feel better day by day."

Seles, who was stabbed by a German factory worker who said he was an avid fan of Stefan Graf, recalled the incident that occurred during a changeover.

"I was down 3-0 and then came back to go up 4-3," she said. "I told myself to concentrate. I was leaning forward and felt something in my back. Something went in. I saw blood. I turned back and saw a guy with a knife. I didn't know what was going on or how bad it was hurt."

Seles said that because of medication and treatment she had spent most of her time in the hospital in Hamburg sleeping. She recalled her visit with Graf.

"It was emotional for both of us," Seles said. "We were crying. It was difficult for me and for her, it was an emotional couple of minutes."

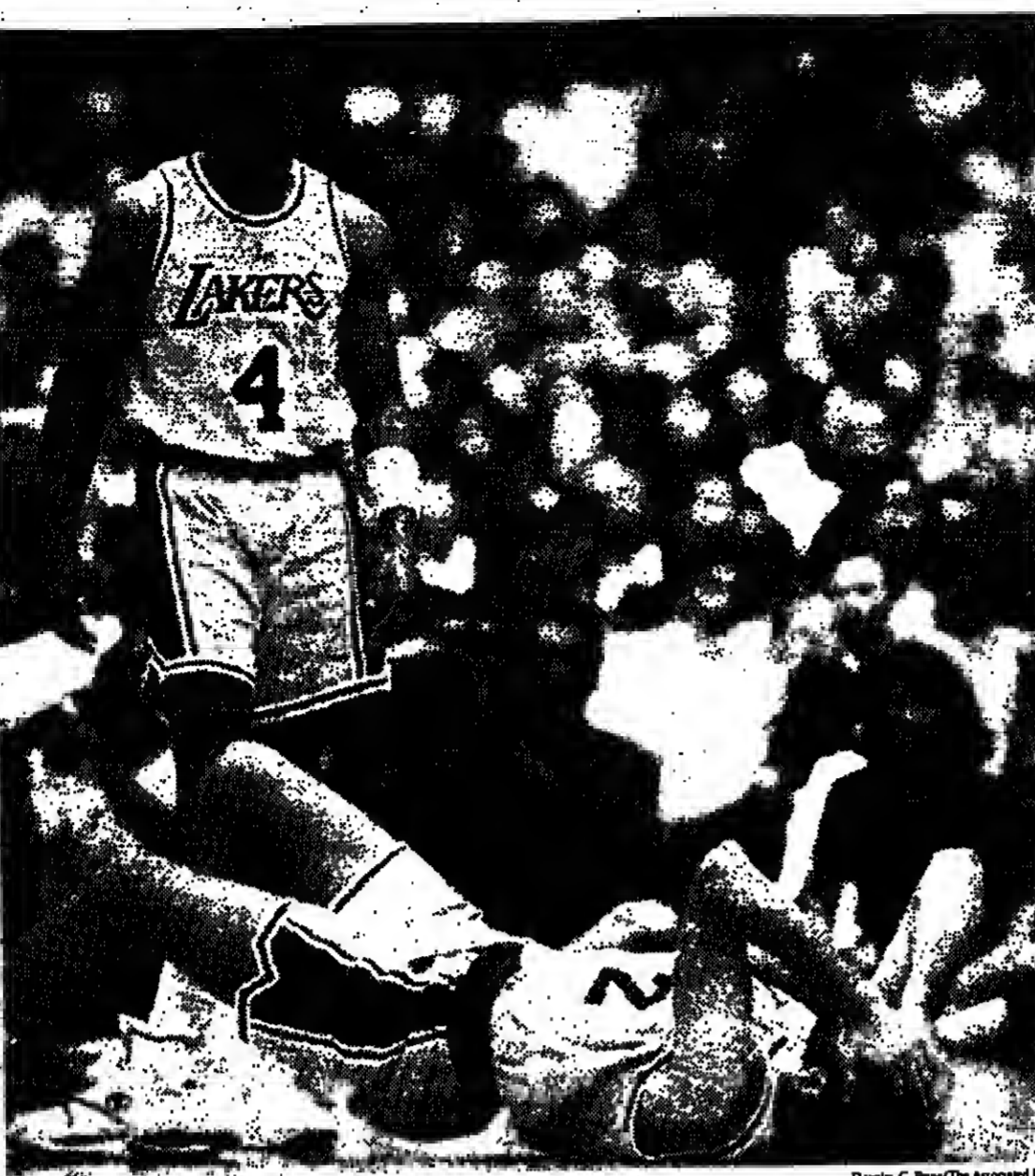
The attack "was a shock for sure," she said. "It doesn't fit in here" at a sporting event.

Asked if the incident might cause her to consider retirement, Seles laughed and replied, "I love this game too much. I'm a young person, mentally and on the court, too. I just want to get back, hit the ball, have fun and go forward with my life. Physically and mentally, it will take a while. I'll do the best I can as I have done up until now."

She said she thought tennis officials must pay more attention to the security of players.

"In my opinion, security has to be improved," she said. "They shouldn't wait. They shouldn't get paranoid, but they need to improve security. I don't think we need this to happen again."

In Berlin, officials said that plans to have Seles and other top players throughout next week's tournament. The top seeds will have four or five matches each, with Graf being assigned six or seven.



Vlad Divac, with Byron Scott coming to his aid, needed five stitches in a cut eyelid but got 30 points for the Lakers.

## Michigan's Webber 'Moving On' to Play in NBA

ANN ARBOR, Michigan — Chris Webber, an All-American who led Michigan to the NCAA basketball championship game as a freshman and sophomore, said Wednesday he is skipping his final two years of eligibility to play in the NBA.

Webber, whose illegal timeout call with 11 seconds to play against North Carolina might have cost Michigan the NCAA title, was a part of the "Fab Five" recruiting class considered one of the best in college basketball history.

Webber, who was lost to Duke in the 1992 title game, but Webber said he had no

second thoughts about leaving before another chance at the NCAA crown.

"It's a decision I felt was necessary for me to keep moving and move on," said Webber, 9-inch (2.05-meter) forward. "There's no doubt in my mind that I'm ready for the next level. I feel this is the right decision right now."

Webber said the lure of a wealthy NBA contract "was a big part of it." "I've been poor all my life," he added. "I could wait another year. I'll always be O.K. even without basketball."

Webber and Eric Montross of North Carolina, opponents in the NCAA championship game last month, were named Tuesday to the Team USA that

will play against four national teams in Europe next month.

Seton Hall's P.J. Carlesimo was named to be head coach of the team that, in addition to Webber and Montross includes Travis Best and James Forrest of Georgia Tech; Michael Finley of Wisconsin; Grant Hill of Duke; Jason Kidd of California; Donyell Marshall of Connecticut; Billy McCallister of Vanderbilt; Aaron McKie of Temple; and Bryant Reeves of Oklahoma State and Glenn Robinson of Purdue.

The college stars will play the Belgian national team in Brussels on June 3; Italy in Modena on June 5; Spain in Castellon on June 7; and Germany in Frankfurt on June 12.

## Suns Get Big Reprieve, But Not From Barkley

By Tom Friend  
New York Times Service

INGLEWOOD, California — A round player kept the Phoenix Suns alive in the National Basketball Association's playoffs — and it was not Charles Barkley.

Oliver Miller, the 300-pound (136-kilogram) rookie from Arkansas who spent part of this season popping diet pills, played an unexpectedly big role Tuesday night as the Suns finally beat the Los Angeles Lakers, 107-102.

Miller, who until this game had been in the playoffs a mere 14 minutes, and was inserted simply to throw his best around, sank two free throws in the final minute, sank two back in a huge rebound with 26 seconds left.

That seemed to secure the Suns' victory. But Dan Majerle, whose free throws are usually automatic, missed badly on two foul shots with a 103-100 lead. So it was not until Vlad Divac airballed a 3-point shot with the Lakers trailing by 105-102, and 8.1 seconds left, that the Suns could relax. Briefly.

They now trail the three-of-five game series by 2-1, with Game 4 scheduled here for Thursday.

Divac, who left the game for a while after a third-quarter collision to have five stitches put in his right eyelid, said, "I should have never shot that last shot. It stunk; I take all the blame. I lost track of the time and rushed it."

The Lakers had trailed by 101-95 after Barkley's two free throws with 2:05 left — but Divac sank a jump shot and Sedale Threatt's 3-point shot switched. Suddenly, it was 101-100, and the Suns' coach, Paul Westphal, was calling timeout.

The Suns had led by 7 points at halftime, 13 late in the third quarter and 9 heading into the fourth quarter — thanks largely to Majerle's rainbow 3-pointer at the buzzer.

And when Danny Ainge drilled yet another 3-pointer early in the fourth quarter, the Suns led by 88-78, having made six shots from 3-point territory. Long-range bombs had been their bread and butter during their 62-victory season, and, of course, so had Barkley.

But, in an uncanny development, Divac and Elden Campbell were the unflappable players the rest of the evening — and not Barkley. The candidate for most valuable player had been 0 for 7 during the fourth quarter of Sunday's loss in

Phoenix, and with the Suns' offense suddenly stuck in plaster in this final quarter, the team turned to him again.

When the resurgent Divac (30 points) threw a lob pass to Campbell (17 points) for a dunk, the Suns' lead was a mere 90-89 with 6:12 remaining. And Barkley, on the other end, had missed four consecutive, stand-still jump shots. He finished with 27 points, but at this point was 0 for 11 in fourth-quarter shots.

If not for Miller, who is nearly as round as Barkley, the Suns might have been sunk. Barkley found him for a dunk. Then Barkley finally broke the ice with a rebound basket of his own. And when Miller sank a 15-foot jump shot, it was 99-93, in favor of Phoenix. Miller, who finished with 11 points, then even swatted away a lay-up by Campbell.

As Barkley reminded reporters, all of them had originally picked the Suns to win the series. "And I hope you all are right," he said. "Most of the time, you ain't, but even a blind acorn finds a nut."

In other games, The Associated Press reported:

Pacers 116, Knicks 93: In Indianapolis, New York's John Starks was ejected from the game when he battered Indiana's Reggie Miller with 8:42 left in the third quarter. The two free throws by Miller tied the score at 59 and began a run of 10 consecutive points that became a 19-4 spurt by the Pacers, blowing the game open. After the ejection, the Pacers outscored the Knicks by 59-34.

The Knicks lead the series, 2-1, with Game 4 in Indianapolis on Thursday night.

Defeat Schrempf got 29 points for Indiana and Rick Smith scored 25. Patrick Ewing led New York with 19 points and 13 rebounds.

Bulls 98, Hawks 88: The Bulls were snuffed when Michael Jordan crumpled to the floor in the third period and had to be carried off the court in Atlanta. But the league's scoring leader, despite a sprained, right ankle, finished with 39 points, as the two-time defending champion moved into the second round of the playoffs.

Jordan scored 14 of his points after the injury as the Bulls swept the Hawks and now await the winner of the New Jersey-Cleveland series.

Dominique Wilkins scored 29 to lead Atlanta.

"I was a little surprised at the way we were able to control the series," Jordan said. "But we've been there before."

Jazz 90, Sonics 80: John Stockton, who received minor injuries in a car accident the day before, ignited a fourth-quarter rally as Utah took a 2-1 lead over Seattle.

The Jazz, trailing until early in the final period, outscored the Sonics by 18-6 to begin the period and hung on the rest of the way. Utah can close out the series at home Thursday night.

Karl Malone led Utah with 23 points, while Stockton finished with 11 points, 10 assists and four steals.

Sam Perkins and Eddie Johnson each had 20 points to pace the SuperSonics.

## Tests on Lewis Continuing

The Hartford Courant

CHARLOTTE, North Carolina — Reggie Lewis, the Boston Celtics' star who has been diagnosed as having a life-threatening heart ailment, continued a series of stress tests as doctors searched for a treatment.

Arnold Scheller, the team physician, said Tuesday that Lewis, 27, had yet to suffer another episode of ventricular tachycardia, which is a condition of arrhythmia, or irregular heartbeat, that caused him to faint during a playoff game Thursday night.

"It's amazing," Scheller said. Lewis "passed the stress test (Monday), he did the maximal stress test (Tuesday), three days before the playoffs, he had another stress test" that all players are put through "and it was totally negative, too."

Scheller, who was in contact with cardiologists at Brigham and Women's Hospital in Boston, where they were attempting to induce another episode of arrhythmia, said "they want to see how predictable" the arrhythmia "is, how controllable it is, those kind of things."

## SCOREBOARD

### BASEBALL

#### Major League Standings

AMERICAN LEAGUE			
Team	W	L	Pct.
Detroit	51	49	.509
New York	50	50	.500
Boston	47	53	.470
Toronto	46	54	.458
Cleveland	45	55	.447
Baltimore	44	56	.438
West Division			
California	43	57	.429
Chicago	42	58	.420
Seattle	41	59	.411
Minnesota	40	60	.402
Kansas City	39	61	.393
Oakland	38	62	.384

#### NATIONAL LEAGUE

Team	W	L	Pct.
Philadelphia	49	49	.500
St. Louis	48	50	.490
Atlanta	47	51	.480
Chicago	46	52	.470
Pittsburgh	45	53	.460
Florida	44	54	.450
New York	43	55	.440
West Division			
San Francisco	42	56	.430
Houston	41	57	.420
Astoria	40	58	.410
San Diego	39	59	.400
Colorado	38	60	.390
Los Angeles	37	61	.380
Cincinnati	36	62	.370

#### Tuesday's Line Scores

Team	Score
Detroit	5-0
New York	3-2
Houston	4-1
San Diego	2-1
Los Angeles	1-0
Philadelphia	6-1
St. Louis	3-2
Atlanta	4-1
Chicago	5-0
Pittsburgh	3-2
Florida	4-1
New York	3-2

## SIDELINES

### Davis Cup Matches in East Germany

HAMBURG (AP) — Germany is to play its Davis Cup quarterfinal on grass at Halle in former East Germany, the national tennis federation said Wednesday.

The move to play on Boris Becker's favorite surface at the new complex, built by clothing tycoon Gerhard Weber, could help entice Becker back on the national team. He had said he would not be available for Davis Cup duty this year, but is now reportedly reconsidering.

Gay Forget, France's top-ranked player, may miss the French Open because of a knee injury, on which he was undergoing tests Wednesday.

### For the Record

Jillian Richardson-Briscoe, who holds the Canadian women's record for the 400 meters, was in critical condition with head and internal injuries suffered in an auto accident in Calgary, Alberta. (AP)

Whie Carson, Britain's five-time champion jockey, was fined \$1,890 by race stewards for easing up on the 2-1 favorite Babbarby, which was beaten by a head in the Cheshire Oaks. (Reuters)

Reggie Johnson of the United States kept the WBA middleweight title in Denver with an easy decision over Wayne Harris of Guyana. (Reuters)

### Quotable

• Announcer Skip Caray, complaining about a four-hour-plus, 11-inning game between the San Francisco Giants and Atlanta Braves: "I've had marriages that didn't last that long."

• Pete Rose, on the possibility of interleague play in the major leagues: "It would take some of the lust off the All-Star game."

## BASKETBALL

### NBA Playoffs

#### FIRST ROUND (Best-of-five)

Game	Time	Score
1. Boston 118, Philadelphia 100	7:30	118-100
2. Detroit 107, Los Angeles 102	8:00	107-102
3. Chicago 107, Phoenix 102	8:00	107-102
4. New York 107, Seattle 95	8:00	107-95
5. Dallas 107, Houston 95	8:00	107-95
6. San Antonio 107, Utah 95	8:00	107-95
7. Portland 107, Sacramento 95	8:00	107-95
8. Minnesota 107, Memphis 95	8:00	107-95
9. Milwaukee 107, Orlando 95	8:00	107-95
10. Indiana 107, Washington 95	8:00	107-95
11. Cleveland 107, New Jersey 95	8:00	107-95
12. Miami 107, Charlotte 95	8:00	107-95

#### Wednesday's Results

Team	Score
Yokohama	5
Chunichi	4
Yokohama	2
Hanshin	0

#### Baseball

#### Japanese Leagues

Team	W	L	Pct.
Hiroshima	12	4	.750
Chunichi	12	4	.750
Yokohama	11	5	.688
Hanshin	10	6	.625
Yokohama	9	7	.563
Yokohama	9	7	.563

#### Baseball

#### Wednesday's Results

Team	Score
Yokohama	5
Chunichi	4
Yokohama	2
Hanshin	0

## HOCKEY

### Stanley Cup Playoffs

#### First Round (Best-of-seven)

Game	Time	Score
1. Pittsburgh 4, Philadelphia 1	7:00	4-1
2. Pittsburgh 3, Philadelphia 2	7:00	3-2
3. Pittsburgh 4, Philadelphia 1	7:00	4-1
4. Pittsburgh 3, Philadelphia 2	7:00	3-2
5. Pittsburgh 4, Philadelphia 1	7:00	4-1
6. Pittsburgh 3, Philadelphia 2	7:00	3-2
7. Pittsburgh 4, Philadelphia 1	7:00	4-1

#### Wednesday's Results

Team	Score
Pittsburgh	4-1
Philadelphia	1-4

## SOCCER

### World Cup Qualifiers

Team	W	L	Pct.
Kuwait	2	0	1.000
Malaysia	2	0	1.000
Japan	2	0	1.000

### English Premier League

Team	W	L	Pct.
Everton	2	0	1.000
Sheff Wed	2	0	1.000
Sheff Wed	2	0	1.000

### French Cup

Team	W	L	Pct.
Monaco	2	0	1.000
Paris	2	0	1.000

## CRICKET

### Third Test

West Indies vs. Pakistan, Third Day

Tuesday, In: 306, 2nd Innings

West Indies 1st Innings: 428

Pakistan 1st Innings: 226

West Indies 2nd Innings: 226

Pakistan 2nd Innings: 226

West Indies 3rd Innings: 226

Pakistan 3rd Innings: 226

West Indies 4th Innings: 226

Pakistan 4th Innings: 226

West Indies 5th Innings: 226

Pakistan 5th Innings: 226

West Indies 6th Innings: 226

Pakistan 6th Innings: 226

West Indies 7th Innings: 226

Pakistan 7th Innings: 226

West Indies 8th Innings: 226

Pakistan 8th Innings: 226

West Indies 9th Innings: 226

Pakistan 9th Innings: 226

West Indies 10th Innings: 226

Pakistan 10th Innings: 226

West Indies 11th Innings: 226

Pakistan 11th Innings: 226

West Indies 12th Innings: 226

Pakistan 12th Innings: 226

West Indies 13th Innings: 226

Pakistan 13th Innings: 226

West Indies 14th Innings: 226

Pakistan 14th Innings: 226

West Indies 15th Innings: 226

Pakistan 15th Innings: 226

West Indies 16th Innings: 226

Pakistan 16th Innings: 226

West Indies 17th Innings: 226

Pakistan 17th Innings: 226

West Indies

ART BUCHWALD

Happy Graduation

WASHINGTON — As I gaze down from the stage at the class of 1993, I am impressed by the fresh, eager faces wearing their caps and gowns with such pride. I wonder how long it will be before they lose their innocence in the real world they are about to enter.



Over to the left is Gail A. Levine, who intends to be an orthopedic surgeon. Not far away is Jeremy Barker who, as soon as he gets his law degree, will be suing Gail for malpractice.

Sitting two rows behind Jeremy is Janet Mappleire, who will sue Jeremy for sexual harassment.

On my right in the first row is Bill Ohle. Bill will soon discover that there's not much demand for a degree in Chaucer. So he will opt for Wall Street and single-handedly take over the Nabisco Company for \$20 billion.

Just behind him, drinking champagne, is Chuck Coates, who's getting a B.A. in macroeconomics and has decided to live at home and sponge off his parents for the rest of his life.

Laughing it up in the eighth row is Lureen Darling, who has completed her course in the School of

Public Administration. She will take a job in the State Licensing Bureau and will refuse to grant a permit to Robert Dolting, sitting next to her, for a sewer at his \$30 million housing project — thus causing him to go bankrupt.

Reading a newspaper over there is Lionel Gray Horse, who will open a gambling casino on an Indian reservation in northern California and offer a \$5 million jackpot on the giant slot machine.

A few seats away is Arthur Donovan, slated to become a detective. In a few years time he will arrest Victor Thomas, seated in front of him, for laundering \$500,000 in drug money from Colombia.

In a seat near the aisle is Alexandra Pelosi, who will be elected governor of California in 20 years by defeating George Healy, who once kidded her in the student union about her political ambitions.

What a wonderful class and how little they know about the outside world. Donald Brown, wearing a straw hat instead of a mortar board, is throwing spitballs at Walter Crater, never realizing that Crater will be in charge of IBM's economy drive in 1997 and will chop off Brown's head.

In spite of all the things the graduates will end up doing to each other, there are quite a few holding hands and obviously very much in love. These include Ringo Newman in the 10th row who keeps touching Sally Michaelson's knee. They will be married in a week, but they'll face stormy weather in five years when Sally joins the Navy and commands a minesweeper, just to get out of the marriage.

Harvey Blumstein, playing Nintendo during the ceremony, will become a professor and remain on campus for 40 years, never leaving except to take his car out for an oil change and a tube job.

Over in the far corner is Rebecca Gauntlett who has announced that she intends to keep her maiden name. She doesn't know that she is never going to marry.

Finally, there is Fred Farnsworth, sitting at attention in the first row. He has no idea that in 10 years he will stick up a gas station. When asked why he did it, he will reply, "I didn't want to be late on my student loan payments to Uncle Sam."

The Discreet Psychedelic Guru of the '90s

By Trip Gabriel New York Times Service

OCCIDENTAL, California — Nibbling his "Cranberry Gobbler" sandwich in a sunny cafe, Terence McKenna explained his theory of how psychedelic mushrooms are the missing link in the story of human evolution. About five million years ago, McKenna said, our remote ancestors left the African rain forest for what were the verdant Saharan grasslands. In search of protein-rich grubs and beetles, they flipped over dried cow pies and discovered the dung-loving psilocybin mushroom.

"For sure the mushroom would have been sampled," McKenna said. "Then our proto-hominid forebears, like legions of hippies millennia hence, discovered that the usual activities comprising the whirl of their days — hunting and gathering, primarily — were out of the question."

"You are just simply nailed to the ground and you experience the bewildering phenomenon that we call the hallucinogenic experience, which even post-Husserl, post-Merleau-Ponty, post-everything, we don't know what to make of," he said. "I laid the basis, I think, for religion and for language."

This was some earful to hear over lunch in the pleasant, slow-moving town of Occidental. Like other communities in the cathedral-like redwood groves north of San Francisco, the town has become a haven for counterculture types, both graying heads from the '60s and younger neohippies of the '90s. A local bulletin board advertises "Environmentally Conscious Tree Care" and "Christie's Not-So-Toxic Housekeeping Service."

Yet McKenna is not just another zoned-out, aging Deadhead. He makes his claims for psychedelic drugs in tightly reasoned, copiously footnoted books that exhibit a wide learning from philosophy to quantum mechanics to natural science. Magic mushrooms as the missing link is only one of many seemingly preposterous notions he promotes with beguiling logic, albeit with a definite lack of hard evidence.

After wandering for years in the cultural outback of the New Age — a movement he deplores for its guru worship and abandonment of rationalism — McKenna is beginning to be more widely heard. Three books have been published in the past year and two more are on the way. His charismatic lecture style a product of what he calls his "innate Irish ability to rave," pulls in audiences of up to 3,000 in Los Angeles and New York.

McKenna has a significant following in the youthful rave culture, where dancers pulsating to a dreamy techno beat often choose to chemically alter their consciousness. His latest book, "True Hallucinations" (HarperCollins), was launched in February not with a book signing but with an all-night rave in San Francisco. The English techno band the Shamen recently sampled one of McKenna's lecture-ball raps and hit No. 5 on the Top of the Pops.

"This under-25 group is a little different than the wannabe yuppie generation of the '80s," McKenna said. "They have the same kind of alienation that immediately preceded the hippie outbreak in the '60s. It's a feeling of being marginalized by the system. Apparently if a generation can't find inclusion in the culture then it becomes narcissistic, with all the positive and negative connotations that brings."

McKenna, 46, has been imbibing "heroic doses" of hallucinogens for 25 years. He first tried psychedelics in the mid-1960s in



Terence McKenna: tightly reasoned, copiously footnoted books.

Berkeley. Today he'll tell an audience that hallucinogenic drugs prove "that right here and now, one quantum away, there is raging a universe of active intelligence that is trashmanian, hyperdimensional, and extremely alien."

Whatever else he is, McKenna is a sure sign that Reagan-Bushism is dead and that a wilder social moment may be upon us. His speaking style is a synthesis of message and medium, an aural reconstruction of psychedelic experience. His voice is trance-like and sing-songy. Free-associating his way through intellectual history, he caroms between references to "Timonians Wake," Heraclitus, a scene with the Munchkins in the "Wizard of Oz" and the writings of the neo-Platonist Philo Judaeus.

One thing he argues is that the psilocy-

bin mushroom, *Stropharia cubensis*, is no ordinary life form, but the megaphone used by an alien, intergalactic Other to communicate with mankind. "The distinguishing characteristic about psilocybin," he told a San Francisco audience recently, "is that it speaks to you, it speaks to you in English; this is extraordinary."

McKenna's appearance coincided with a weekend celebration in San Francisco and Santa Cruz of the 50th anniversary of the discovery of LSD. About 1,000 people attended seminars like "Women in Psychedelics" and "Sacred and Healing Plants."

Among them, it was virtually an article of faith that more LSD is manufactured and used today than during the '60s. Indeed, a recent survey for the National Institute on Drug Abuse found that while drug use is declining among high school seniors, the sole exception is LSD, which is on a slow upward trend.

A major distinction between the current users and their brethren in the '60s is that the original counterculture talked incessantly about psychedelics, whereas current users are much more discreet. The silence, however, is being broken as McKenna emerges as the most forceful advocate for psychedelics since Timothy Leary.

"He's an eloquent and imaginative poet of the psychedelic experience," said Leary, an unabashed admirer.

McKenna's claims for hallucinogens go way beyond Leary. Aldous Huxley or any of his predecessors. He maintains that magic mushrooms are a conduit to "the Gaian mind" of the planet, the collective voice of the Earth as ecosystem. What the mushroom says, he says, is that the planet is in mortal peril, that something must be done. And psychedelics are the way forward. Not just any psychedelics, but the tryptamine family of plant hallucinogens that include psilocybin, DMT and ayahuasca, the traditional vision-quest drink of South American shamans.

According to McKenna, these drugs recall for users a state of mind he believes was once universal during an era when people lived in organic, goddess-worshipping societies. He says such societies existed 14,000 years ago during the "High Paleolithic," before the corrupting rise of agriculture, monotheism and male kingships.

As sketched in his book "Food of the Gods" (Bantam, 1992), McKenna theorizes it was hallucinogenic plants in the diet that kept our High Paleolithic forebears living in sexual equality and in harmony with nature. But then, due to climatic changes, the hallucinogenic plants disappeared. To regain the pagamic Eden and divert the Earth from its present course of ecological disaster, we must, he says, restore hallucinogens to regular use.

PEOPLE

Stallone Buys Home In Madonna Territory

Sylvester Stallone is getting cozy with Madonna, so to speak. The actor is buying, to the tune of \$8 million, an 11-acre estate, just a few doors away from hers in South Beach, Florida. . . . In Jamaica, the estate of Noel Coward near Ocho Rios has been acquired by the music producer Chris Blackwell and will be turned into a tourist attraction and museum.

Judge Elliott Wilk said he would rule within a month on who would get custody of the children in the long-running Mia Farrow-Woody Allen case in New York. After 30 witnesses and 3,500 pages of testimony, lawyers for Mia repeated charges that Woody was a child abuser while his lawyers said she was a violent, raging woman in their closing arguments. The case involves the couple's adopted children, Moses, 15, and Dylan, 7, and their biological son Satchel, 5.

Leslie H. Gell, a New York Times columnist, has been named president of the Council on Foreign Relations. He succeeds Peter Tarnoff, who has joined the Clinton administration as undersecretary of state for political affairs.

The government and the royal family repeatedly ignored warnings that Windsor Castle, Queen Elizabeth II's favorite weekend home, was an unguarded firetrap, according to British media reports of an inquiry into last year's disaster. Fire prevention inspectors called 10 times from 1980 to 1991 for alarms and other safeguards to be installed at the castle.

With a biography by Franz Schwaib due next year, the architect Philip Johnson, 86, is going public with some private matters — his homosexuality and his past support of Hitler-style fascism. In a Vanity Fair interview, Johnson blames his homosexuality for causing a nervous breakdown while he was a student at Harvard. As for fascism, he says, "I have no excuse [for] such utter, unbelievable stupidity."

INTERNATIONAL CLASSIFIED Appears on Page 4

London Opera Sets Verdi Run

LONDON — The Royal Opera House hopes to perform all the operas of Verdi over a six-year period.

The opera director, Nicholas Payne, said at a news conference there will be a Verdi festival in June and July 1995.

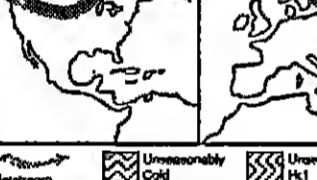
"In the period up to 2001, the centennial of Verdi's death, we want to try to perform every one of Verdi's operas," Payne said.

Giuseppe Verdi wrote 28 operas before his death in 1901. The opera house will do a new production of "Aida" next season and revive its 1988 production of "Rigoletto."

Table with weather forecasts for Europe, Asia, Africa, North America, Middle East, and Latin America. Columns include location, today's high/low, and tomorrow's high/low.

WEATHER

Forecast for Friday through Sunday



North America: A storm moving over the eastern seaboard will bring heavy rain to the nation's capital. The south-eastern states will also have dry weather this weekend and it will grow quite warm from Atlanta through Oregon. Rain will start the Pacific Northwest and the northern Plains.

Europe: A storm moving over the eastern seaboard will bring heavy rain to the nation's capital. The south-eastern states will also have dry weather this weekend and it will grow quite warm from Atlanta through Oregon. Rain will start the Pacific Northwest and the northern Plains.

CROSSWORD

© New York Times, edited by Eugene Maletka

ACROSS: 1 Parisian gangsters; 8 Vanilla ice specialty; 11 Month for 14; 14 Theme of this puzzle; 16 Greek vowel; 18 Cauchy; 17 Pittsburgh gender; 18 A carner.

DOWN: 2 Kind of boiler; 3 Consul follower; 4 Gryllus, e.g.; 5 Tartarus; 6 Residue; 7 Ukr. once; 8 Get rid of; 9 "of Two Cities"; 10 Beach toy; 11 "Don't tell a soul"; 12 king; 13 Henkery; 14 French high-school student; 15 Fussily protective parent; 16 Omission; 17 Mrs. Rodham, to Clinton; 18 Oodles; 19 Cole or Wood; 20 Entangled; 21 Laboratory utensil; 22 Brit. military; 23 Kin on Mom's side.

Crossword puzzle grid with some letters filled in.

BOOKS

deemed his book "The Satanic Verses" offensive to Islam's holy truths.

Although the West recognized the fundamentalist intolerance of unorthodox implicit in Khomeini's fatwa against Rushdie, Rauch writes, "What was not so widely noted was the second dimension of Khomeini's challenge: the humanitarian dimension." He adds, "This is not to say that Khomeini was a humanitarian, only that the argument which his supporters commonly made was humanitarian in principle: 'You have hurt us with your evil words, your impious words, disrespectfully and needlessly written in utter disregard of Muslim sensitivities. You have caused pain and offense to many people. And this you have no right to do.'"

What Rauch sees it, all authoritarian attempts to regulate opinion can be traced back to Plato, who advocated censorship of the arts (for the greater good of the state) and who believed that a few wise men or philosophers should be in charge of sorting true opinions from false ones.

Plato's beliefs, Rauch argues, are echoed in the ideas underlying "the intellectual regime of Khomeini's Iran, a dictatorship of the wise." Just as offending artists were banished from Plato's ideal Republic, so was Salman Rushdie condemned as a heretic and sentenced to die by the ayatollah, who

WHAT THEY'RE READING

John Krieff, animator and creator of the Ren & Stimpy cartoon series, is reading Donald Kagan's "Pericles of Athens and the Birth of Democracy."

"I wanted to experience some evidence of sanity in the world. Pericles was a ruler who ruled out of reason instead of out of passion. The passion he had was for ruling with reason, not for ruling out of passion." (Brad Spurgeon, IHT)

What Rauch argues, and argues passionately in these pages, is that hurtful words and criticism are not the same as actual violence and should not be treated as such.

To abide by "the doctrine of Never Offend" would render all criticism "morally hazardous" and make even joking impossible, he contends. It would also raise an old and troublesome question: who is to decide who is allowed to upset whom?

The only answer, Rauch reasons, is "a centralized political authority," an authority that would inevitably act in behalf of the politically powerful.

In Rauch's opinion, the proposition that a fair and completely neutral authority could be established is patently false.

"Does anyone seriously believe," he asks, "that today's university anti-discrimination committees would treat offended left-wingers and offended right-wingers the same way? Or that they would treat offended creationists and offended racial minorities the same way?" Rauch occasionally overreaches

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"Does anyone seriously believe," he asks, "that today's university anti-discrimination committees would treat offended left-wingers and offended right-wingers the same way? Or that they would treat offended creationists and offended racial minorities the same way?" Rauch occasionally overreaches

Books

himself. For instance, in arguing that Khomeini's fatwa against Rushdie represented a turning point in the fate of free inquiry and free speech, he condemns what he sees as the lack of response on the part of the West.

He contends "a great many Western intellectuals" merely goggled with Khomeini's sentence: they repudiated the death sentence as barbaric, he says, but took issue with Rushdie for offending Muslim sensitivities in the first place.

Such statements represent both an exaggeration of Western reactions to the fatwa and gross generalizations about them, and they undermine the many valid and persuasively made points in this book.

Michiko Kakutani is on the staff of The New York Times.

KINDLY INQUISTORS: The New Attacks on Free Thought

By Jonathan Rauch. 178 pages. \$17.95. The University of Chicago Press.

Reviewed by Michiko Kakutani

THE "Kindly Inquistors" in Jonathan Rauch's fiercely accused new book are the anti-bigotry and anti-hate speech advocates who have recently begun to call for, and regulators outlawing, territorial harassment and restricting the spread of offensive words and less.

French laws, passed in 1990, that outlaw historical revisionism questioning the truth of the Jewish Ho-

locust; Australia's 1989 ban on public racial vilification; Austria's 1992 decision to make it a crime "to deny, grossly minimize, praise or justify" National Socialist crimes, and recent codes adopted by U.S. universities prohibiting speech that can be construed as sexist, racist or anti-gay. Rauch cites such developments as distressing evidence that not only civil liberties but also the core principles of liberal society are under attack.

He vehemently assails the movement to "identify and penalize false and socially dangerous opinions" as a new Inquisition.

Many ideas in Rauch's book will be familiar to readers of, say, Nat Hentoff's "Free Speech for Me, But Not for Thee" and Dinesh D'Souza's "Illiberal Education."

What sets his study apart is his attempt to situate recent developments in a long-range historical perspective and to defend the system of free intellectual inquiry as a socially productive method of channeling prejudice.

As Rauch sees it, all authoritarian attempts to regulate opinion can be traced back to Plato, who advocated censorship of the arts (for the greater good of the state) and who believed that a few wise men or philosophers should be in charge of sorting true opinions from false ones.

Plato's beliefs, Rauch argues, are echoed in the ideas underlying "the intellectual regime of Khomeini's Iran, a dictatorship of the wise." Just as offending artists were banished from Plato's ideal Republic, so was Salman Rushdie condemned as a heretic and sentenced to die by the ayatollah, who



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